

Global impact review

2019: discovering Grant Thornton's
impact on the world



Contents

Message from the CEO

Understanding our impact

We are Grant Thornton

Our management approach

Our impact on the world

Our impact on clients

Facilitating sustainable growth for our clients

Providing high quality services

Creating an exceptional client experience

Working with our people

Attracting and developing transformational leaders

Promoting diversity and inclusion

Providing an exceptional people experience

Our organisation

Reducing our environmental footprint

Maintaining ethical standards

Supporting data privacy and data security

Enabling cross-border collaboration

Encouraging innovation and technological development

Our impact on communities and wider society

Creating economic value through network growth

Supporting effective markets, standards and regulation

Developing sustainability advisory

Growing together in our communities

Looking forward

52

76

96

About the review

This is the first Global Impact Review for the Grant Thornton global network. It aims to create an initial understanding of our impact on our clients, people, markets, communities and wider society.

Prepared by sustainability advisers from Grant Thornton Sweden and Grant Thornton Israel in collaboration with Grant Thornton International Ltd (GTIL), this review is the result of extensive work gathering data, interviewing key stakeholders and compiling case studies from across the global network. The review contains the most recently updated accessible data as of 1 January 2020.

It is an introductory review of how the global network impacts the world. This work provides some baseline data as well as showing the areas where data is missing or can be improved.

Based on the insights gained thus far, GTIL will consider a more established reporting process in the future and, ultimately, support Grant Thornton to become a more sustainable organisation as a result.

We welcome your feedback which can be provided by contacting gtimarketing@gti.gt.com



Peter Bodin
CEO, Grant Thornton International Ltd

Message from the CEO

“While we see some incremental steps towards sustainable business models, it is nowhere near the scope or scale required. What we need is not an incremental approach, but a transformational one. The only solution is rapid, ambitious, transformative action by all – governments, regions, cities, businesses and civil society, all working together towards a common goal.”

António Guterres, Secretary-General of the United Nations

This call to action by the UN secretary general at the UN Climate Change Conference in Madrid in late 2019, highlights the scale of the challenges facing the world today.

Finally, it feels like the business world has woken up. Woken up to the unstoppable force of consumer, regulatory and investor pressure to adapt their business models in order to help build a more sustainable global economy.

I believe the private sector is expected, and has a responsibility, to deliver sustainable business solutions that will change the world. And we, as accountants and business advisers, have a pivotal role to play.

According to a recent report in the Financial Times, there are now more than USD 22 trillion of funds being managed under ESG (environmental, social and governance) or CSR (corporate social responsibility) mandates. That’s a quarter of total assets under management globally.

As the report pointed out, this has led to “rising pressure for better metrics, as the impact investing sector swells in scale”.

But in order to build a more sustainable future, we need to understand the impact our business is having today.

By preparing our first Global Impact Review, we demonstrate our commitment to transparency and seek to explore the impact we have on our clients, people, markets and the communities in which we operate across the globe.

From speaking about how our member firm in Thailand is supporting marine life and how our Brazilian member firm assists the city of São Paolo to become greener, to exploring how our member firm in Kenya acts to develop female leaders, how Grant Thornton UK has reduced their greenhouse gas emissions, or how our network helps to unlock the potential for growth together with our clients.

I feel proud to share this initial review with you and look forward to receiving your thoughts on how we can develop it further, together.

We are on our own transformational journey to build a next generation professional services organisation. And I am determined to ensure that our journey is a sustainable one.

A handwritten signature in black ink, appearing to read 'Peter Bodin'.

Peter Bodin
CEO, Grant Thornton International Ltd

Understanding our impact

Given the scope and scale of Grant Thornton as a global network, we recognise the significance of the role that we have to play in operating sustainably and understand the importance of the impact we have on clients, people, markets, communities and the wider society in which we operate, and making it positive.

More and more businesses operating in the private sector are waking up to need to adapt their business models in order to help build a more sustainable future.

Core to this is the ability of businesses to deliver more sustainable business solutions that will have an increasingly pivotal role to play in changing the world.

Creating an initial benchmark

In 2019, we carried out our first Global Impact Review, to better understand and describe the network's global impact through the perspectives of key stakeholders. Prepared by sustainability advisers from Grant Thornton Sweden and Grant Thornton Israel in collaboration with Grant Thornton International Ltd (GTIL), this project is the result of extensive research across the global network.

To help us understand how to increase our positive impact on the world and how we can become a more sustainable organisation, we created an impact model to explore how we influence clients, people, markets, communities and the wider society.

Enhancing our positive impact

As you can see from this in-depth report, there are some fantastic initiatives underway throughout Grant Thornton and the member firms, which are having a significant positive impact on the clients, people, markets and communities.

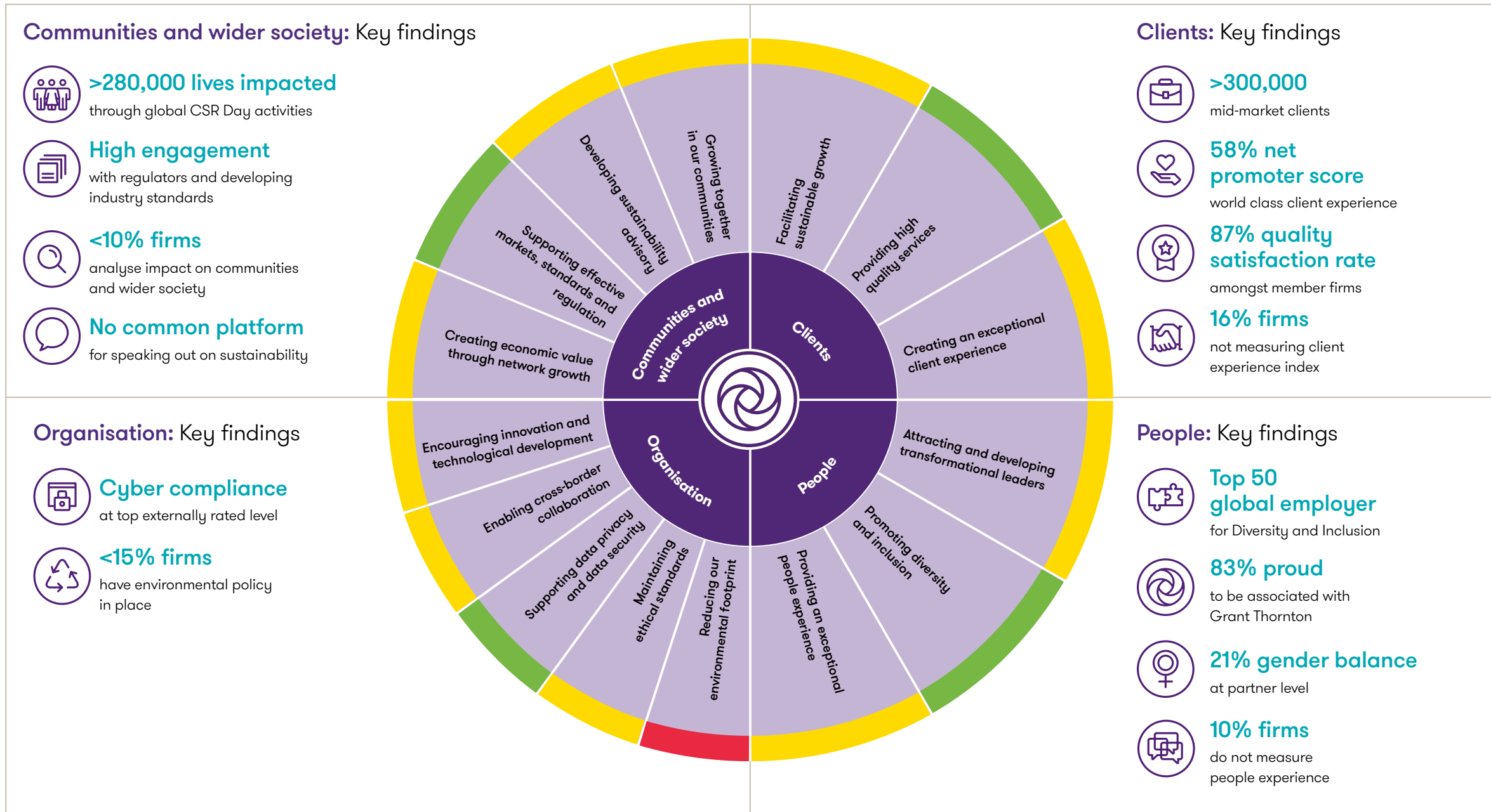
We also recognise that there are opportunities to improve the sustainability of our business practices and the positive impact we can have as a global network in the future.

This is something which, thanks to the insights discovered in this work, we will continue to work on in partnership, across the network and with our stakeholders, and in support of the United Nations Sustainable Development Goals.

In the development of the Global Impact Review, we have made an initial mapping of our impact on the United Nations Sustainable Development Goals (SDGs). This revealed that the Grant Thornton network has an impact on more than 11 of the 17 SDGs, with the five below being the areas where it currently has the largest impact.



Summary of key findings and opportunities for improvement



GROWING TOGETHER

Global strategy 2020



We are
Grant Thornton

Grant Thornton is a leading global network of independent assurance, tax and advisory firms. With more than 56,000 people in 750+ offices across more than 140 countries, this is a truly global network.

For more than 100 years, the Grant Thornton network and its original founding firms has helped dynamic organisations realise their strategic ambitions.

To continue to achieve this, the network aims to be located wherever clients are or need support. We have global scale together with local market understanding, as well as a collaborative style that enables us to assemble teams across industries and geographies, to create tailored solutions for international growth.

By having the scale to meet clients' changing needs, as well as the insight and agility to help them stay one step ahead, we can drive global change.




Recognised as one of the world's major accounting organisations by capital markets, regulators and international standard setting bodies, representatives from Grant Thornton firms globally are constantly involved in developing markets and communities across the globe.

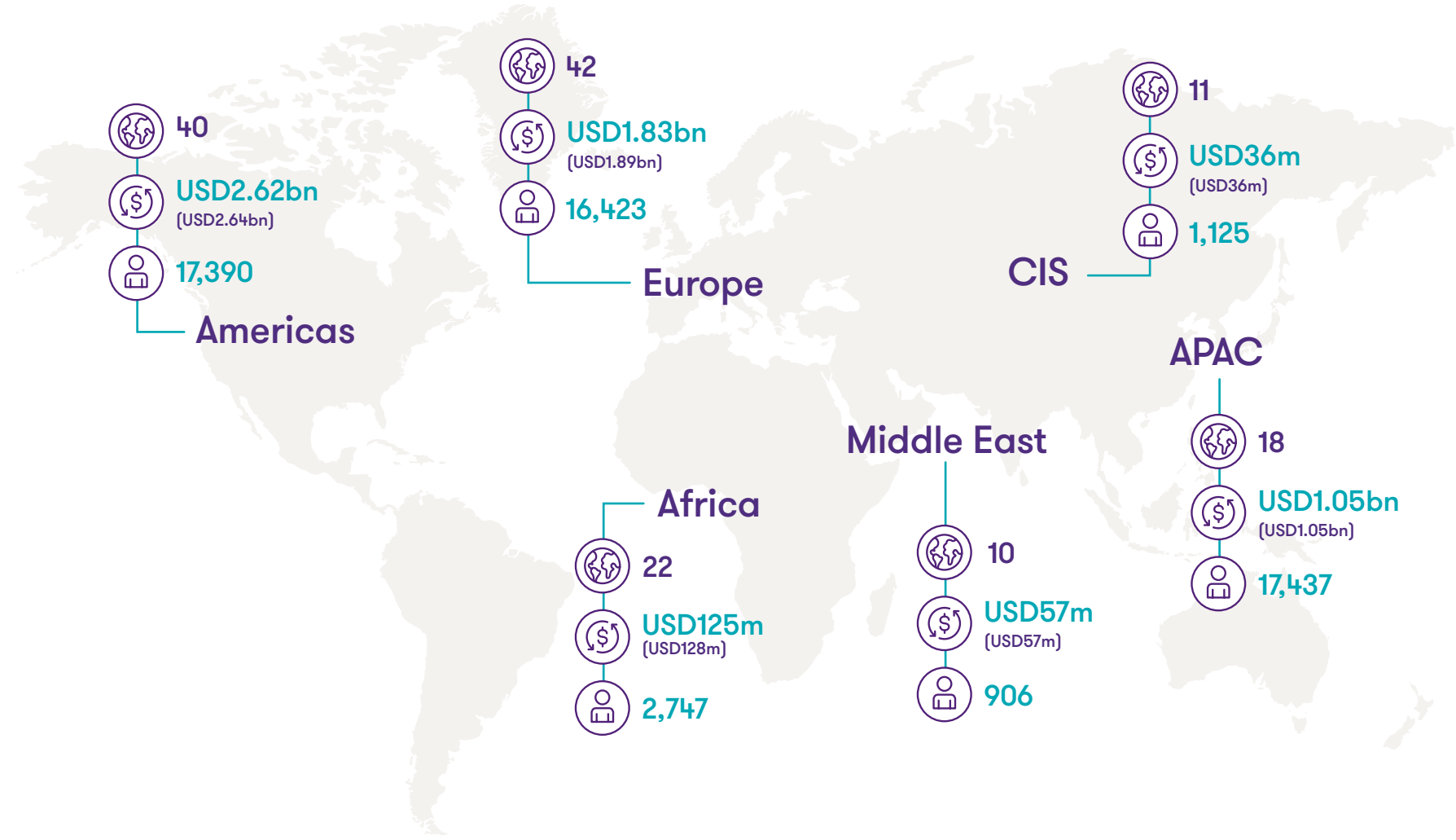
From 2018 to 2019, the network recorded 5.1% USD growth, representing a growth of 6.4% in constant currency terms. By year-end in September 2019, the global combined revenue reached a record-setting USD 5.72 billion. At the same time, global headcount grew by over 6% to more than 56,000 people based in over 140 countries.

By focusing on mid-market clients in key strategic growth markets and supporting collaboration between member firms, Grant Thornton is well placed to become a better, more successful and sustainable professional services network.



Global network

 Countries
  Revenue
  People



-  USD 5.72 bn
(2019 revenue)
-  56,000+
people
-  750+
offices
-  140+
countries

[Figures in brackets are in constant currency]

Our management approach

Our culture and values

Grant Thornton's culture and values are our most valuable assets. They steer us in our everyday work and decision-making.

While every member firm is different, the global CLEARR values help us to create a common way of working which helps us to bring about positive change in the world.

We are committed to driving this change and bringing the CLEARR values to life in the way in which Grant Thornton engages with clients, people, markets and communities.

Putting CLEARR values at the heart of everything we do

- We unite through global **COLLABORATION**.
- We demonstrate **LEADERSHIP** in all we do.
- We promote a consistent culture of **EXCELLENCE**.
- We act with **AGILITY**.
- We expect deep **RESPECT** for people.
- We take **RESPONSIBILITY** for our actions.



Collaboration



Leadership



Excellence



Agility



Respect



Responsibility

Our strategic growth and transformation agenda

The world around us is changing rapidly. Megatrends including globalisation, digitalisation, sustainability and increasing regulatory pressures are having a major impact on clients and the Grant Thornton network.

By being proactive in assessing Grant Thornton's global impact, we want to lead the sustainable business agenda and take the chance to disrupt and challenge the status quo.

In 2015, our global strategy: Growing Together 2020, was launched. It set out four building blocks for sustained long-term growth and profitability: growing together with our people; with our clients; with our markets and communities; and across our global network.

As dedicated professionals, our work and influence builds trust and integrity in the markets we work in. We help to create the commercial and social environments that enable long-term success and growth for businesses and people. By working together, in a spirit of co-creation and shared ambition as a network, we want to help build a sustainable future.

To fulfil this strategy, Peter Bodin, CEO, GTIL, together with his newly appointed Global Leadership Team, identified six strategic drivers in 2018.

These provide the focus for the global development of the network, and will support our growth and transformation to become the next generation professional services organisation:



Drive a strategic growth agenda

The world around us is changing fast, our industry is evolving fast and our target market is growing fast. All of which point to significant growth opportunities for Grant Thornton. But this growth needs to be both strategic and sustainable.



Transform our technology

To help drive our growth we need to transform our technology. This will require us to do things in new and different ways, in terms of how we use technology to better connect with member firms' clients, people and wider communities. It also has implications for how we come together as a global network to make the necessary technology investments and to learn from each other's innovation.



Build a culture of innovation and collaboration

We talk passionately about our people and our unique Grant Thornton culture, but this culture cannot be viewed as static and fixed. It needs to evolve and emerge to reflect the changes around us. The world we live in today demands a culture that embraces change and welcomes a diverse range of opinions that challenge conventional thinking. This new world requires a culture that constantly brings an external view to the business within which member firms operate.



Build a stand-out brand

Our research shows that Grant Thornton has a strong brand in many of our markets globally. Brand awareness and consideration are stronger than ever, our world-class Net Promoter Score of 54% shows that many clients love working with us, and over 80% of our people say they are proud to work for Grant Thornton. We start from a good place, but we will not rest until we know we truly stand out in clients' and people's eyes.



Develop transformational leaders

Key to our future success and the sustainability of our businesses is building transformational leaders, who can adapt and thrive in a fast-changing world. We have a defined set of leadership attributes we are weaving into our everyday language, our people and culture processes, our learning and leadership development programmes, etc. Additionally, we are focused on creating a diverse and better gender-balanced team of leaders. Diverse teams make better decisions and are more resilient in the long term.



Focus on quality

Our industry is under growing pressure and rightfully faces ongoing scrutiny from various stakeholders. There are daily media articles about perceived problems with the quality of services the industry delivers. Quality, in everything we do, has never been more important. This is about gaining a competitive advantage in the market as having a reputation for quality of service.

During 2020, the Board of Governors will evaluate the efforts to achieve the Growing Together strategy, and work towards developing a new global strategy for the five years beyond 2020.

This inclusive process will be led by the Strategy Committee under the mandate of the Board of Governors.

Together with many other inputs, the Global Impact Review will play a role in the development of the new strategy.

Governance

Grant Thornton is a global network of more than 130 independently owned and managed member firms in over 140 countries.

Our local understanding, together with our global presence, makes us strong. Being separate and distinct legal entities creates a genuine sense of responsibility and connection with the local markets and communities where member firms operate. Being a global network helps us collaborate, exchange ideas and share knowledge across the world.

GTIL is the coordinating entity for the Grant Thornton network and is a private company limited by guarantee, incorporated in England and Wales. Services are delivered by Grant Thornton member firms around the world, not by GTIL. GTIL and the member firms collectively are referred to as Grant Thornton.

GTIL consists of approximately 130 people, led by the global leadership team (GLT). As the coordinating entity for the network, the role of GTIL is to lead and convene the global network by performing activities that add value to the network through: safeguarding, shaping and servicing.

Safeguarding

Safeguarding activities protect the network from threats to its survival. Some are mandatory for member firms but all Safeguarding activities are designed to:

- mitigate risk
- ensure regulatory compliance
- protect global reputation/brand
- improve quality
- enhance commercial competitiveness.

Shaping

Shaping activities drive the core strategic rationale for GTIL, in collaboration with member firms. Shaping activities are designed to:

- deliver one or more of the strategic priorities (through meaningful collaboration and co-creation with and between member firms)
- increase standardisation through the development of new minimum standards
- convene committed member firms around common areas of investment or interest.

Servicing

Services provided by or through GTIL are designed to generate cost savings for member firms and improve standardisation. GTIL has the potential to run activities at a lower cost and higher quality than can be achieved locally by individual member firms, delivering greater efficiency and effectiveness through aggregation.

The Board of Governors (the Board) is the principal and overriding authority of GTIL.

The Board is responsible for governance matters and comprises the chair of the Board, the CEO of GTIL, managing partners from Grant Thornton member firms, and independent directors.

The Board's responsibilities include:

- Approving global strategic direction and policies
- Overseeing the implementation of the global strategy
- Overseeing membership matters (including approving new member firms, suspending the rights of a member firm, or expelling a member firm)
- Appointing and setting the remuneration of the Chair of the Board
- Appointing and evaluating the performance of the CEO of GTIL
- Approving the GTIL budget and member firm fees
- Overseeing the financial health of GTIL
- Overseeing global enterprise risk management
- Overseeing general governance matters, such as the composition and performance of the Board.

The Board is made up of the following members (as of 1 January 2020):

Judith Sprieser, independent, Chair of the Board
Aliza Knox, independent
Martin Geh, independent
Peter Bodin, CEO of GTIL
Anna Johnson, Sweden
Bradley Preber, US
David Dunckley, UK
Emilio Imbriglio, Canada
Gagik Gyulbudaghyan, Armenia
Xu Hua, China
Kevin Ladner, observer, Canada
Mauricio Brizuela, Mexico
Michael McAteer, Ireland
Robert Dambo, France
Shigeyoshi Yamada, Japan
Victor Sekese, South Africa
Vishesh Chandiok, India

The Board aims for diversity of gender and representation from different geographical areas, including emerging markets.





Standing committees

The Board appoints committees to focus on specific subject matters, and each committee is chaired by a member of the Board. The use of standing committees allows a more efficient and effective discharge of the Board's responsibilities and involves others in the activities of the Board.

The committees work independently with guidelines from the Board and report to the Board about progress in their respective areas.

The **governance committee (GC)** ensures efficient and effective operation and oversight of GTIL's leadership structures and performance.

The **strategy committee (SC)** advises on the development, alignment and execution of the global strategy.

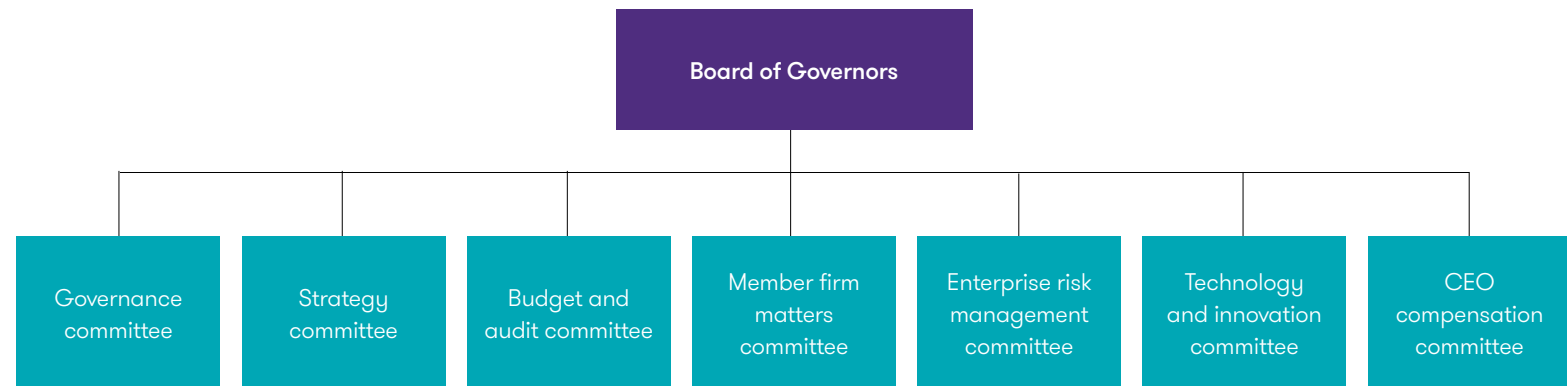
The **budget and audit committee (BAC)** oversees the GTIL budget and audit processes to ensure the successful execution of the global strategy and adherence to the fiduciary responsibilities of GTIL.

The **member firm matters committee (MFMC)** considers and determines resolution of recommendations made by the GLT relating to member firm matters. Considerations include member firm terminations, complaint handling and proposed changes to the rules and agreements that materially affect member firms.

The **enterprise risk management committee (ERMC)** has responsibility for ensuring that an appropriate enterprise risk management framework is maintained for GTIL and its member firms.

The **technology and innovation committee (TIC)** governs and oversees Grant Thornton's global technology and innovation strategy. Additionally, the TIC ensures that global technology and innovation projects are aligned with Grant Thornton's commercial objectives.

The **CEO compensation committee (CEOCC)** executes the Board's responsibilities relating to evaluation and compensation of the CEO.



Chief executive officer

The CEO is responsible for the leadership of GTIL. The role of the CEO includes the development and recommendation of global strategic priorities for ratification by the Board, together with overseeing execution of these priorities. The CEO has responsibility for appointing the GLT, subject to the concurrence of the Board. The GLT then assists the CEO in the execution of the global strategy. The CEO works closely with the GLT in maintaining global policies and procedures, including those governing international work for the assurance, tax and advisory service lines.

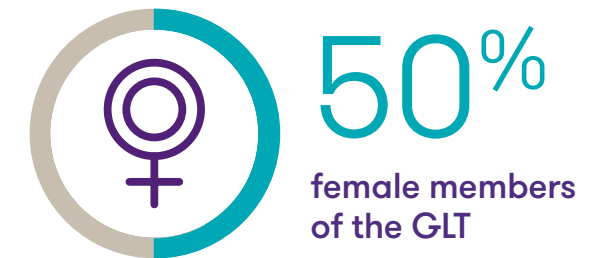
The CEO is appointed by the Board for an initial term of up to five years, renewable once for a further period of up to three years. In 2017, the Board appointed Peter Bodin, formerly a CEO of the Swedish member firm, to be the CEO of GTIL for a term of five years, which commenced on 1 January 2018.



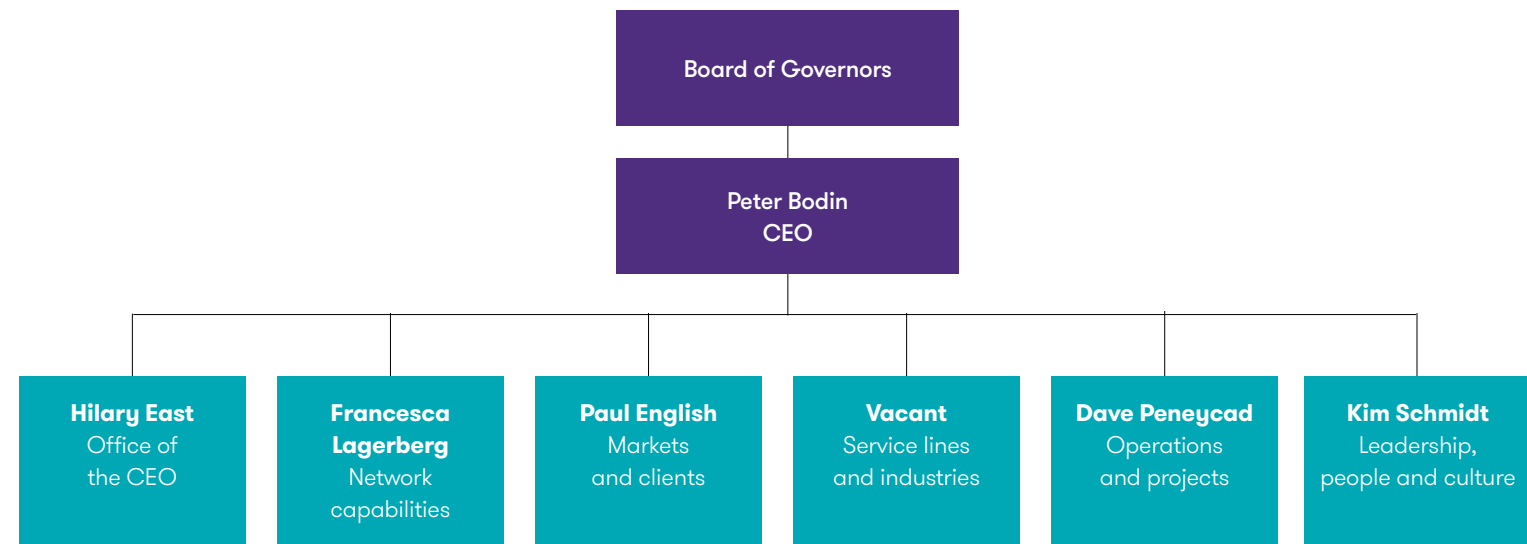
The global leadership team

The GLT drives the execution of the global strategy and is chaired by the GTIL CEO, Peter Bodin. The GLT comprises six full-time managers appointed by the GTIL CEO with responsibilities for network capabilities, markets and clients, service lines and industries, operations and projects, as well as leadership, people and culture, as depicted below.

A critical role of the GLT is to work with member firms in driving the execution of the global strategy. The ambition is to enable strategic, sustainable growth for Grant Thornton member firms and their clients globally, with a strong focus on quality.



Global leadership structure



*The GLT as of 5 January 2020



Risk management

In order to mitigate and manage key risks for GTIL and the Grant Thornton network, the GLT monitors risks with support from the global risk management function, the enterprise risk management committee (ERMC) of the Board and the risk management advisory committee (RMAC).

Enterprise risk management focuses on processes to identify, monitor and manage key risks in a prioritised manner including a strong emphasis on continuous procedures to monitor quality and improvements to the quality of service delivery.

One of the key tasks of the ERMC and RMAC is to oversee GTIL's risk register, which is updated annually.

In 2019, an initial analysis was conducted to examine sustainability and environmental risks within the RMAC and ERMC.

Our impact on the world

Given the nature of our work, and our the scope and scale of the network has a considerable impact on member firms' clients, people, markets, communities and wider society.

To explore this impact, we developed our first Impact Model. This is based on the strategic pillars in our Growing Together 2020 strategy and aims to describe the impact that the network has on the world through the perspectives of our key stakeholders.

By exploring each of these areas, it is possible to understand how to make a difference and increase our positive impact on the world.

Over the course of the following chapters, you will be able to learn more about our work to become a more sustainable organisation.

Impact model



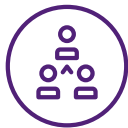


Clients

Providing services to thousands of small and large, private, public and non-profit clients, member firms have a huge impact on organisations across the world.

Through assurance services, they help their clients to verify financial results, provide important observations and support business performance. And through tax and advisory services, help their clients create, transform and protect value in order to become successful organisations.

By facilitating sustainable growth, providing high quality services and creating an exceptional client experience, we want to see member firms support their clients' ambitions. Read more about the impact on clients on [pages 18-33](#).



Organisation

As a global network, we recognise that we have an impact on the world and climate around us through our energy usage at more than 750 offices, procurement, travel and the advice professionals give to their clients.

To be a sustainable organisation and have a positive impact on the world, all Grant Thornton people need to maintain high ethical standards in everything that they do. As the world becomes increasingly digital, they also have an obligation to require high degrees of data privacy and data security as well as encourage innovation and technological development. Enabling cross-border collaboration in the network, it can grow as an organisation and increase its positive impact in the world. Read more about this work on [pages 52-75](#).



People

With more than 56,000 people in our global network, we have a considerable impact on a large number of people and a responsibility to encourage good working conditions in all member firms. As our people are our most important asset, we focus on providing an exceptional people experience in line with our global people promise.

To achieve this, we invest in attracting and developing transformational leaders at all levels. We also believe in promoting diversity and inclusion within member firms to meet the demands of a changing world. Read more about how we do this on [pages 34-51](#).



Communities and wider society

Last, but not least, member firms have a considerable impact in many of the communities and markets in which they act.

The main impact is by supporting well-functioning markets and promoting efficient standards and regulation. Being one of the world's largest networks of assurance, tax and advisory providers, we have an influence on the development of corporate legislation, the trust and legitimacy in financial markets and the abatement of corruption and money-laundering.

The growth and scale of the network also has an impact on markets and communities by creating economic value. Developing sustainability advisory within Grant Thornton member firms, can foster responsible business practices among clients. Additionally, each member firm has an impact on local communities enhanced through CSR and volunteering initiatives. You can read more about this on [pages 76-95](#).



Our impact on the United Nations Sustainable Development Goals



In 2015, the United Nations adopted the 2030 Agenda for Sustainable Development, including 17 Sustainable Development Goals (SDGs). The Agenda is a plan of action for people, planet and prosperity, aiming to transform our world until 2030.

By realising the SDGs, world leaders aim to end poverty, fight inequalities, create peaceful societies and address the urgency of climate change. However, to reach the SDGs, worldwide action from governments, civil society as well as private corporations is required.

We recognise our responsibility in this regard and the opportunity we have to help achieve the SDGs.

To drive this further, our CEO Peter Bodin was appointed chair of the IMPACT2030 initiative in 2018.

The IMPACT2030 initiative is a private sector-led coalition that aims to develop a framework to measure the contributions and impact of human capital investments on the SDGs, facilitate cross-sector and cross-industry collaboration and activate a global movement of employees for the SDGs. The belief is that when companies join forces and use the skills, expertise and creativity of their people as a force for good, they can change the world.

At the network's global conference in London 2019, an exercise to map the impact of the global network on the 17 SDGs was carried out.

As the goals are holistic and interconnected, it is easy to see that a network such as ours will have a direct or indirect impact on all 17 goals. The following chapters, highlight some of the SDGs where we believe Grant Thornton can make a difference.

During the coming years, a more formalised approach to how the network can work to support the achievement of the 2030 Agenda and the 17 SDGs will be considered.



“As we look to increase our engagement with the private sector and elevate the conversation and our purpose to a global level, Peter will be a vital asset to the IMPACT2030 as our chair. His global experience, in-depth knowledge of the private sector and passion for driving real organisational change will be invaluable.”

Sue Stephenson, former interim CEO of IMPACT 2030





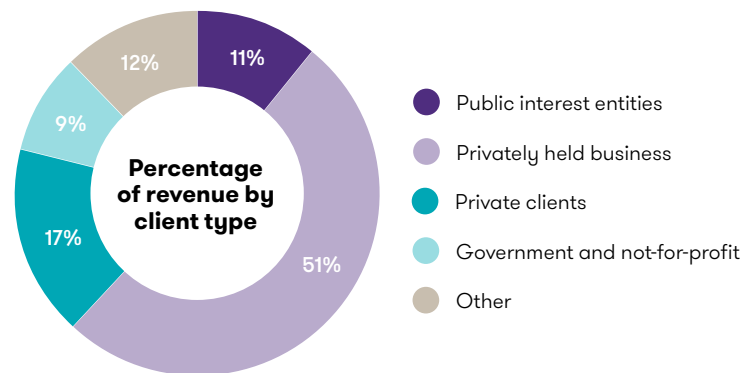
Our impact on clients





Over 300,000 clients worldwide

As a global network, Grant Thornton firms serve public interest entities, government and not-for-profit organisations, privately held businesses as well as individual private clients all over the globe. The majority of member firm clients are mid-market businesses¹, either privately held or mid-cap listed companies.



Although the size of mid-market companies varies significantly in different countries, these businesses tend to be dynamic, fast-growing, ambitious organisations.

Our capabilities, culture and client service approach are well-suited to address their needs, whether compliance based or advisory. Member firms have the ability to deliver pragmatic business solutions and build client relationships. This helps to explain why the mid-market has consistently been the core focus for Grant Thornton firms around the world.

In 2019, nine of the larger member firms formed a mid-market strategy group to focus on building the mid-market client base, identify innovative services to drive growth in the mid-market, connect with more international clients and help other member firms to adopt these successful practices.

Mid-market companies make significant contributions to the economic growth of a region through their economic activity. According to OECD² SME and Entrepreneurship Outlook, small and medium sized enterprises (SMEs) account for 99% of all businesses and between 50% and 60% of value added across the OECD countries. In many regions, mid-market companies have been one of the main job providers, promoters of innovation and often contribute to the identity and social cohesion of local communities both in urban and rural areas³.

By providing services to mid-market companies, member firms can help them to drive the economic growth of a region.

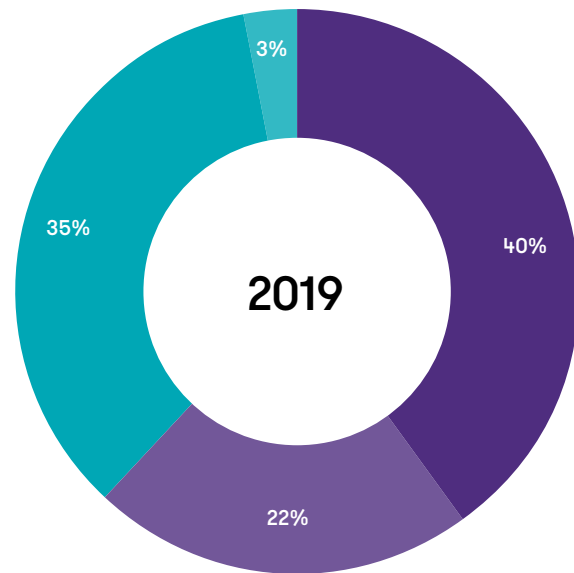
The Economist Intelligence Unit's definition of the mid-market by country			
Size of target organisation, by revenue, in USD millions	EIU data Lower mid-market		EIU data Upper mid-market
	Australia	36 - 585	
Canada	38 - 426		426 - 1,241
China	10 - 112	112 - 224	224 - 327
France	33 - 395		395 - 1,152
India	2 - 26		26 - 77
Sweden	37 - 436		436 - 1,272
United Kingdom	37 - 453		453 - 1,324
USA	38 - 1,346	1,346 - 2,692	2,692 - 4,000

¹ The Economist Intelligence Unit defines the mid-market as including businesses between the 25th percentile of the overall market and US \$1 billion Purchasing Power Parity (US\$4 billion for the United States of America). Each member firm has its own criteria for defining mid-market.

² OECD: The Organisation for Economic Co-operation and Development (OECD) is an intergovernmental economic organisation with 36 member countries, founded in 1961 to stimulate economic progress and world trade.

³ According to OECD SME and Entrepreneurship Outlook 2019, 2019, OECD.

By the end of 2019, the network’s highly diversified client portfolio comprised more than 300,000 clients. Member firms support clients from 12 main industries around the world; with consumer products and financial services the industries that amount to the largest percentage of revenue.



Revenue by service line

- Assurance
- Tax
- Advisory
- Other

% of Grant Thornton clients that have international operations



Color shows the % of Grant Thornton clients that have international operations for each member firm. Source: Grant Thornton Israel advisory team analysis of Grant Thornton member firm 2019 annual survey - Clients and Markets report, using Tableau.

Grant Thornton member firms offer a comprehensive range of advisory, assurance and tax services to help their clients achieve their goals. Grant Thornton services are delivered by a network of independent member firms, while the function of GTIL is to safeguard the quality standards, and to shape the capabilities of the network by establishing communication, cooperation, monitoring and quality platforms.

While serving clients, member firms strive to provide thoughtful business solutions, adhere to the quality standards and establish valuable interactions for an exceptional client experience.

“The success of our clients is our success – the growth of our clients is our growth!”

Victor Sekese, CEO, SNG Grant Thornton South Africa

Facilitating sustainable growth for our clients

Grant Thornton is committed to delivering high quality assurance, advisory and tax services in a way that fosters public trust and clients' sustainable growth. The services provided aim to optimise operations, identify opportunities, generate synergies, facilitate access to capitals and new markets, and in the process contribute to the economic growth of the regions.

The network has focused its growth efforts on specific regions where the network has the greatest potential for creating meaningful economic impact on markets. In 2019, GTIL identified 13 key markets that have the most potential for growth in the mid-market and launched the strategic growth markets programme.

“Growth does not just happen. Driving a strategic growth agenda starts with a growth mindset.”

Paul English, global leader markets and clients, GTIL

Paul English
Global leader markets and clients, GTIL



Through our work in this area, we want to contribute to the achievement of SDG 8 and 16, with particular consideration of the following sub-targets:

- 8.1** Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries
- 8.2** Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors
- 8.3** Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services
- 16.5** Substantially reduce corruption and bribery in all their forms

This is an extract from the UN SDGs and their sub-targets. For further information, see <https://sustainabledevelopment.un.org/>



Assurance services

Assurance services headcount ⁴	2019	% of growth ⁵
Africa	1,784	+ 113.2%
Americas	7,020	+ 21.8%
Asia Pacific	8,632	-0.3%
CIS	473	+2.1%
Europe	6,186	+6.6%
Middle East	507	+23.7%
Total	24,602	+7.4%

A few example of external recognition for our assurance services

- **Grant Thornton China:** CFOs' Most Trusted Accounting Firm, 2017, the China CFO Development Center (CCDC)
- **Grant Thornton Mexico:** Audit and Assurance Services Firm of the Year in Mexico, 2017, Corporate INTL Global Awards
- **Grant Thornton US:** Grant Thornton LLP ranked 4 in Vault's 50 Best Accounting Firms, 2017 (five years in a row), Vault Accounting.

⁴ Information as provided by member firms in 2019 Annual survey for 12m ending 30 September 2019 as on 16 December 2019.

⁵ Percentage of growth in comparison to 2018. Total percentage of growth comprises headcount of the former member firms.

At Grant Thornton, we have more than 24,600 people committed to delivering assurance services in more than 125 countries.

“The team showed that they had in-depth knowledge of the industry in which our business operates and they delivered according to our expectations. They showed that they were indeed a service provider that was keen to improve the operations of our business.”

Grant Thornton client

Grant Thornton's assurance services teams provide clients with an independent audit of a company's financial statements and whether they have been prepared in accordance with the applicable accounting framework. The audit will also include identification of significant deficiencies in internal control.

An external audit can provide shareholders with assurance that the financial statements give a true and fair view and add credibility to published information for key stakeholders.

Grant Thornton firms use the same audit methodology globally, which means we can offer clients consistent, high quality services wherever they are in the world. The audit approach for each client is tailored to the individual risks inherent within the entity.



Tax services

Tax services headcount ⁶	2019	% of growth ⁷
Africa	171	+21.9%
Americas	3,060	+25.9%
Asia Pacific	2,888	-1.0%
CIS	60	+4%
Europe	2,483	+8.4%
Middle East	55	+20.3%
Total	8,717	+8.2%

A few examples of external recognition for our taxation services

- **Grant Thornton Poland:** Tax firm of the year 2017, M&A awards by Finance Monthly
- **Grant Thornton UK:** Excellence in International Tax Law Services, 2018, Finance Awards by Corporate LiveWire
- **Grant Thornton Japan:** Recommended Firm, 2017, World Transfer Pricing
- **Grant Thornton Canada:** Canada Transfer Pricing Firm of the year, 2018, International Tax Review.

⁶ According to 2019 Annual survey for 12 month ending 30 September 2019.

⁷ Percentage of growth in comparison to 2018. Total percentage of growth comprises headcount of the former member firms.

⁸ To learn more about our tax quality practices please refer to our Global Transparency Report 2019.

“Grant Thornton goes above and beyond to understand our company’s intentions and help to understand better the local countries’ norms when dealing with specific concerns.”

Grant Thornton client

Dynamic organisations with an ambition to grow need to consider their tax affairs carefully to gain trust and stay ahead of their competitors, as well as a proactive approach to tax showing how they are meeting their obligations.

Grant Thornton member firms are highly aware of the increasing scrutiny companies face on a global level with regard to taxes and want to help their clients navigate the complex regulation in this area. A positive tax strategy can increase a business’s reputation for openness and transparency among customers and communities, helping their reputation and standing.

Tax teams have the capability and expertise to advise large multinationals, privately held businesses, public interest entities and individuals on a range of tax matters.

To help member firms provide the best and most consistent tax services to clients, GTIL established tax strategy and tax advisory committees that enhance collaboration between member firms. We have introduced tax policies covering authorisation, client acceptance and consultation that drive member firms to develop high-quality services and sustainable tax specialty practices⁸.



Advisory services

Advisory services headcount ⁹	2019	% of growth ¹⁰
Africa	478	+90.9%
Americas	4,915	+13.6%
Asia Pacific	3,158	+10.6%
CIS	319	+6.2%
Europe	5,570	+10.1%
Middle East	227	+26.7%
Total	14,667	+3.9%

A few examples of external recognition for our advisory services:

- **Grant Thornton Italy:** Best advisor of the year 2017, Premio Internazionale Le Fonti
- **Grant Thornton UK:**
 - 2019 Ranked No1 UK M&A Financial Adviser (Source: Experian MarketIQ)
 - Asset Recovery Experts Firm of the Year, 2017, 2018, 2019, Who's Who Legal Awards
 - Industry Game Changer: Ones to Watch, 2019, Growth Investor Awards

⁹ According to 2019 Annual survey for 12 month ending 30 September 2019.

¹⁰ Percentage of growth in comparison to 2018. Total percentage of growth comprises headcount of the former member firms.

“We found the service provided by Grant Thornton and in particular by the partner to be exceptional. His assistance in this matter went far beyond providing tax advice – he proved to be a professional adviser in the true sense of the word. He drove the transaction and was ultimately the key individual who acted as a commercial mediator to get the deal done.”

Grant Thornton client



Create

Helping clients to create value by exploring strategic growth options, then advising and managing the chosen solution. This entails establishing the true commercial potential of the businesses looking to be acquired, delivering valuation support during transactions and disputes and providing expert advice in support of regulatory and administrative matters. Consultants diagnose and address underperformance to devise workable solutions that maximise client value for a sustainable recovery.



Transform

Guiding clients to sustain and finance growth, manage risk and talent, and optimise operations is essential to our value transformation approach. Consultants facilitate strategic goal setting and solutions to help clients be ahead of, and prepared for, disruptive change. Removing the burden of back office operations and compliance challenges for businesses enables them to focus on their growth, improve their processes, reduce their costs and transform their organisations. The firms also engage, specify and deliver technological solutions and improve company usage of compiled data through tools and analysis to ultimately transform their decision-making process.



Protect

Protecting clients' value by implementing effective and reliable governance and compliance procedures, developing systems to prevent fraud and corruption and managing cyber-risk through improving culture, technologies and processes. As a measure of precaution, firms provide rapid and practical responses to security incidents. By sharing this expertise with clients, they can help them to better comprehend and manage their risks to protect value.



We define the advisory services that member firms provide their clients within four categories:

Advisory category	Service line	Definition
 Operational advisory	Business solutions	Help clients improve their operational performance, efficiency and effectiveness through the use of outsourced services
	Business risk services	Help clients comply with operational regulations, laws and best practices
	Business consulting	Help clients improve their operational performance, efficiency and effectiveness through the provision of data
 Transactional advisory	Transaction services	Advise and support clients in all aspects of a transaction, whether a sale, an acquisition or fundraising, which may include debt and equity (both private and publicly listed)
	Recovery and reorganisation	Provide advisory services to companies and individuals in financial distress or to their creditors and stakeholders
 Forensic advisory	Forensic investigation services	Support clients with dispute resolution, fraud prevention and detection, insurance claims and other situations demanding detailed investigations
 Cyber advisory	Cybersecurity services	Help clients build cybersecurity strategy into their overall business strategy to fend off third-party, criminal and internal risk, and guard proprietary and customer data

Facilitating growth of clients through mergers and acquisitions

Many member firms' clients are going through the stage of mergers and acquisitions (M&A) and their business growth depends on the M&A outcomes. Successful M&A usually results in capital investments, investments to expand production capacity, investments in new production technologies, and access to new markets. Another important benefit of M&A is that it liberates capital, improves managerial oversights and transference of valuable skills. According to the results of a survey by the National Center for the Middle Market, "Executives of mid-market companies view M&A as critical to their growth strategies". Guidance through M&A is one of the services that Grant Thornton provides to our clients. In recent years, Grant Thornton member firms around the world have been recognised for their exceptional M&A services, for example:

- **Grant Thornton UK:** Acquisition International M&A Awards for the Best Mid-Market Financial Services M&A Adviser 2016
- **Grant Thornton India:** Cross Border M&A Deal of the Year Award in the Small Markets segment, 2017
- **Grant Thornton China:** Top 10 M&A Service Provider, 2017

Providing high quality services

The Grant Thornton global quality framework is a foundational standard specifying the quality control standards required for all service lines in Grant Thornton member firms worldwide. The document provides overarching principles and is underpinned by policies and procedures developed by the individual service lines¹¹.

It is critical for the network that each member firm has its own system of internal quality monitoring. GTIL provides a variety of tools and services to ease the development of quality monitoring inside member firms.

- Global templates of the policies and procedures, such as a quality management manual
- Quality Assurance Monitoring Tool: an integrated tool for quality monitoring for tracking of quality indicators and quality recognition
- Root Cause Analysis Methodology: a process for identifying the causes of problems or events to prevent them from recurring in future
- Internal Quality Monitoring for Tax and Advisory Services: guidance, templates and programmes for member firms to use when carrying out internal quality monitoring reviews.

GTIL coordinates a global programme of quality monitoring known as GTAR (Grant Thornton Assessment & Review) with the objective of achieving high-quality services and protecting Grant Thornton's brand and reputation.

Previously, the GTAR programme only involved evaluating engagements and firm-wide procedures that are applicable to its assurance services. In 2018, GTIL piloted a cross-service line GTAR, which examined the quality of Tax and Advisory services, in addition to assurance services. In 2019, we conducted 33 GTARs, most of which included all service lines.

Member firms are required to meet certain standards on:



Leadership



Ethical requirements



Client acceptance and continuance



People



Engagement performance



Monitoring

¹¹ GTIL publishes annual Global Transparency Report where the topic of providing high quality services is disclosed in detail. Global Transparency Report 2019 can be found here https://www.grantthornton.global/globalassets/1-member-firms/global/gtil-transparency-report-2019_final1.pdf

“Being a member of a GTAR team not only gives one the exposure to travel and make connections with colleagues in different countries, but for me this has been an amazing opportunity to learn and acquire new knowledge about different approaches to performing and documenting audit work. What I have found most rewarding is the assistance that the whole process provides for the firms and this is evident as you interact with people that are willing to learn to deliver better quality audits.”

Tatenda Zimondi, director, WDM – Risk, Grant Thornton South Africa





Grant Thornton US's remarkable audit practice

Grant Thornton US's audit practice reached a remarkable milestone: a 17.6% inspection finding rate from the PCAOB Part I findings in its 2017 report. These were their best published quality results since the 2009 inspection year, cementing the firm's status as an industry leader in quality. Strategic changes and investments along the journey reflect the firm's dedication to the values of excellence, agility and responsibility resulting in:

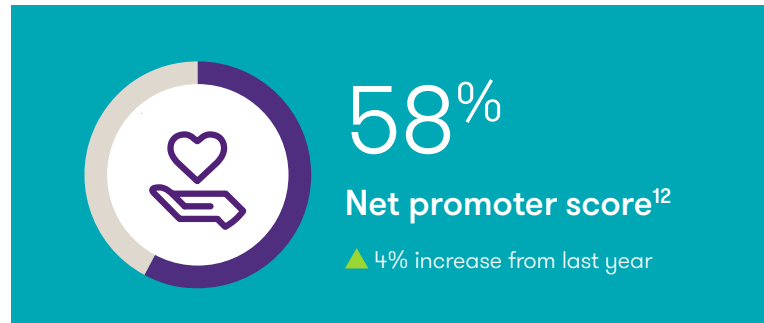
- specialised training
- changes to operating and reporting structure
- funding and implementation of innovative technologies
- creation of Grant Thornton US Audit Quality Advisory Council.

In 2019, GTIL further recognised the accomplishment of the US member firm by awarding them with the GTX Quality Award. It is granted to the firm, team or individual who made a substantial impact to improve quality and use it as a competitive advantage.

“It was a long journey to quality. It took everybody in the firm to make it happen: great tone from the CEO, financial investment and, most of all, believing that quality of the services would be major for our brand.

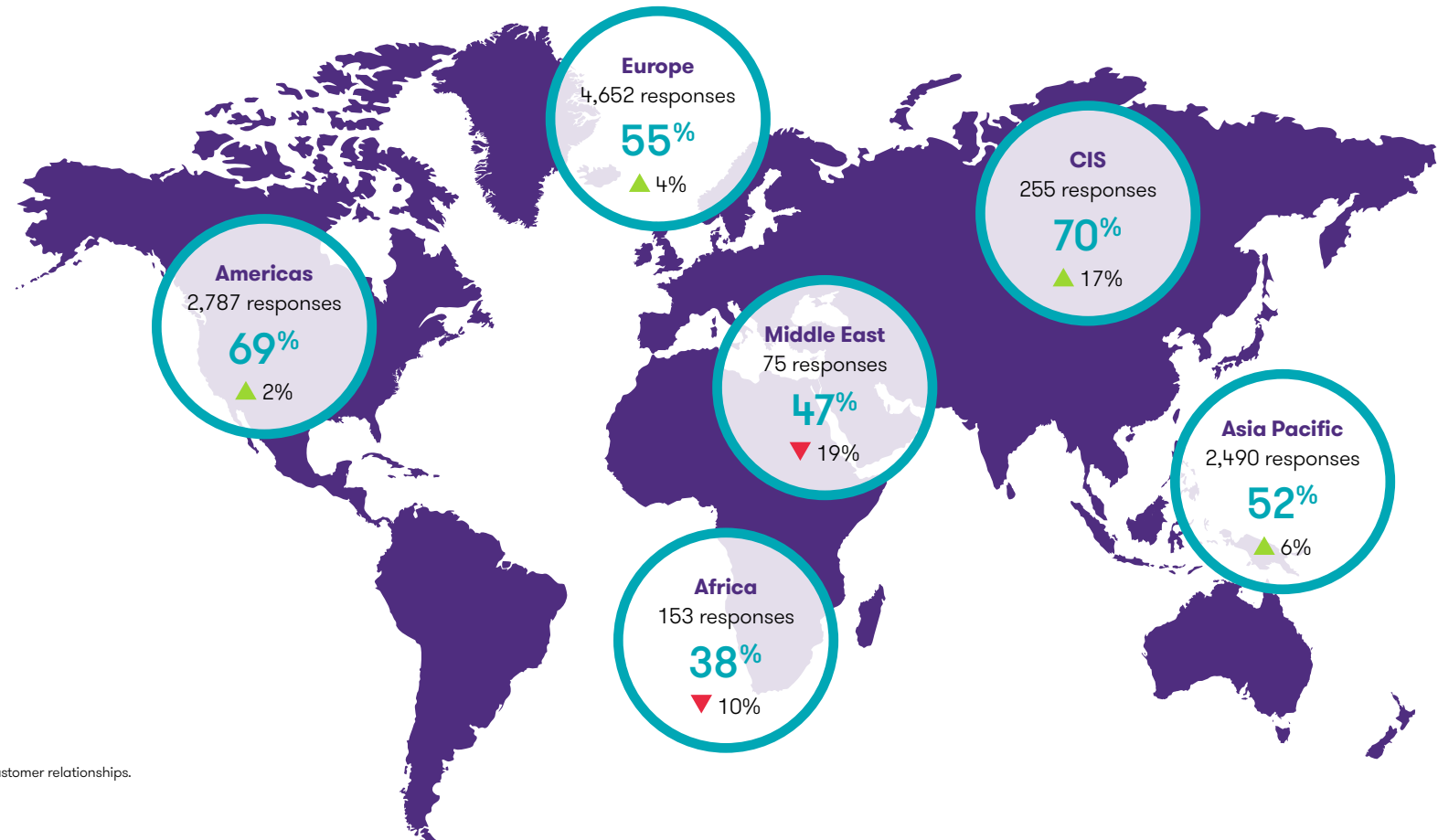
Jeff Burgess, Grant Thornton US

Creating an exceptional client experience



	Assurance	Tax	Advisory
Net promoter score	59% ▲ 4%	57% ↔	55% ▲ 7%
Client Satisfaction Index	8.58 ▲ 0.05	8.61 ▲ 0.01	8.44 ▲ 0.11
Client Experience Index	8.48 ▲ 0.06	8.61 ▲ 0.02	8.44 ▲ 0.05

Response category	2018	2017	2016
NPS	58%	54%	57%



¹² Net Promoter Score (NPS) is a management tool that can be used to gauge the loyalty of an organisation's customer relationships.

“We have true global scale, deep technical capabilities and extensive industry expertise. But this does not make us different. It’s how Grant Thornton member firms work with their clients that does.”

Paul English, global leader markets and clients, GTIL

The vision of the network becoming the leading global business adviser to dynamic organisations depends on the ability of member firms to create exceptional client experience. It goes beyond providing quality services that adhere to certain standards and norms. Client experience covers every way in which clients engage and interact with member firms, people and the brand.

While exceptional client experience has intrinsic value, extensive market research and client satisfaction data shows that client experience is directly correlated with increased profits, new client wins, and revenue growth. It states our intent to define and deliver a client experience that will create thousands of brand “promoters”, measured by the number of clients willing to recommend Grant Thornton to others.

Progress is reflected by the Net Promoter Score (NPS), which is measured on an annual basis and expresses the views of over 10,000 clients globally. With an NPS of 58%, 2018 was the third consecutive year that clients rated their experience with us as “world class”¹³. 45% of Grant Thornton clients have seen improvements in their service experience compared to previous years, which correlates with our year-on-year NPS growth.

Grant Thornton’s approach is more ambitious as it focuses on a more challenging goal to go beyond client satisfaction, to target client recommendation. It has had major implications not only on our colleagues in terms of behaviours, capabilities and skills, but also on systems, practices and technologies.



Grant Thornton Vietnam Golden Dragon Customer Service Award, nine years in a row (2010-2019), Vietnam Economic Times

¹³ According to B2B international data, a world class NPS score is typically above 50%. In business-to-business markets, the average NPS is 24%.



Forming vision based on clients' needs and wants

Understanding clients' needs is embedded into Grant Thornton's culture. To define a list of client needs and expectations, we conducted comprehensive client surveys and qualitative research.

The results showed that clients want consultants who provide a different perspective, understand and exceed their expectations and lead effective communication with no surprises. Based on the findings, we developed the client promise.

“Grant Thornton is an agile, fast-moving organisation without the complex hierarchies of other established firms. You really feel as if you're talking to individuals who fully understand your business, not a faceless organisation.”

Grant Thornton client



The client promise

We discover what's important to you and make it important to us

Grant Thornton's culture is built on a genuine interest in clients – their challenges, growth ambitions and wider commercial context. They get the attention they deserve from approachable, senior professionals who ask the right questions, listen and provide real insight and a clear point of view.

Pragmatic solutions to help you improve and grow

Put simply, Grant Thornton adds value. We like to bring ideas to the table, going beyond the technical issues to recommend ways to make client's business better. Whether their goals include cross-border expansion, improving operational efficiency or building investor confidence, we balance a desire to do what's best for them in the future with an experienced sense of what's going to help them now.

Collaborative teams with a different mindset

Grant Thornton people are open, accessible and easy to work with. We work through the issues alongside you, always with an independent perspective and challenging where necessary. This collaborative style also enables us to assemble teams with a broader perspective – working across service lines, industry teams and geographies to tailor capabilities for you.

Agile and responsive service

Grant Thornton's size and structure create advantages for clients. We adopt a flatter structure, with shorter decision-making chains, empowered teams and no complex chains of command. We have all the necessary processes and controls but they're streamlined and efficient. Teams are more responsive as a result.

8.51

▲ 0.06 increase from last year

Client Experience Index	2018	2017	2016
Discover what's important	8.67	8.61	8.70
Pragmatic solutions	8.30	8.23	8.29
Agile, responsive	8.50	8.42	8.50
Collaborative mindset	8.54	8.51	8.63
CXI	8.51	8.45	8.54

To measure the delivery of these promises we developed the Client Experience Index (CXI), comprised of 16 questions. It diagnoses engagement team behaviours and represents a client's experience within the four components of the Client Promise.

This CXI is a part of the comprehensive Client Voice Programme that GTIL is expanding inside the network. Client Voice – is the global client feedback and action programme which allows us to measure three client experience metrics: the aforementioned CXI, the Client Satisfaction Index (CSI) that quantifies overall satisfaction with the outcomes of engagements, and Net Promoter Score (NPS) that assesses the degree to which clients would recommend Grant Thornton to others.

In 2018, the CSI showed that clients rated us more highly than was previously the case in their likelihood to use Grant Thornton again (8.79) and also in their likelihood to recommend us (8.71).

Whilst we have made some year-on-year progress on value for fees, this score remains lower than other dimensions. Meanwhile, the NPS score in 2018 remained high at 58%, putting us on a world class level.

Today, index scores are based on the data supplied by 42 member firms that represent 84% of the network's global revenue. With a total of 60 member firms running the client programme, GTIL aims to expand the reach within the network, encouraging each member firm to nominate a client-experience leader.

To facilitate the implementation of the client experience approach, GTIL developed a client journey toolkit to consistently manage the various stages of engagement with a client. This maps the needs of the client at each stage, defines how to invest in meeting them, and pinpoints what clients want to gain at each stage.

To further equip people with the technical and non-technical skills, capabilities and confidence for the journey, GTIL shared innovative proprietary tools to support clients.

These frameworks bring together best practice and insights from business development professionals across the network, as well as directly from clients and markets, leading to development of practical scalable solutions, and delivery of the Grant Thornton Experience.

To distinguish the firm, team or individual who goes above and beyond when serving clients across borders, GTIL created a Client Experience Award. In 2019, we had 16 entries and the Indian member firm won first prize.

Committed to improving client experience, we will continue to translate client feedback into actions. We will concentrate on building a structured follow-up mechanism that will create an ongoing dialogue with clients whilst making changes noticeable for them.

We will invest further in enhancing colleagues' client development skills and behaviours, so that they are well-equipped to provide clients with a stand-out experience, whilst sharing their wider insight and knowledge, to help clients overcome the complexities of the challenges they may face when growing their businesses.





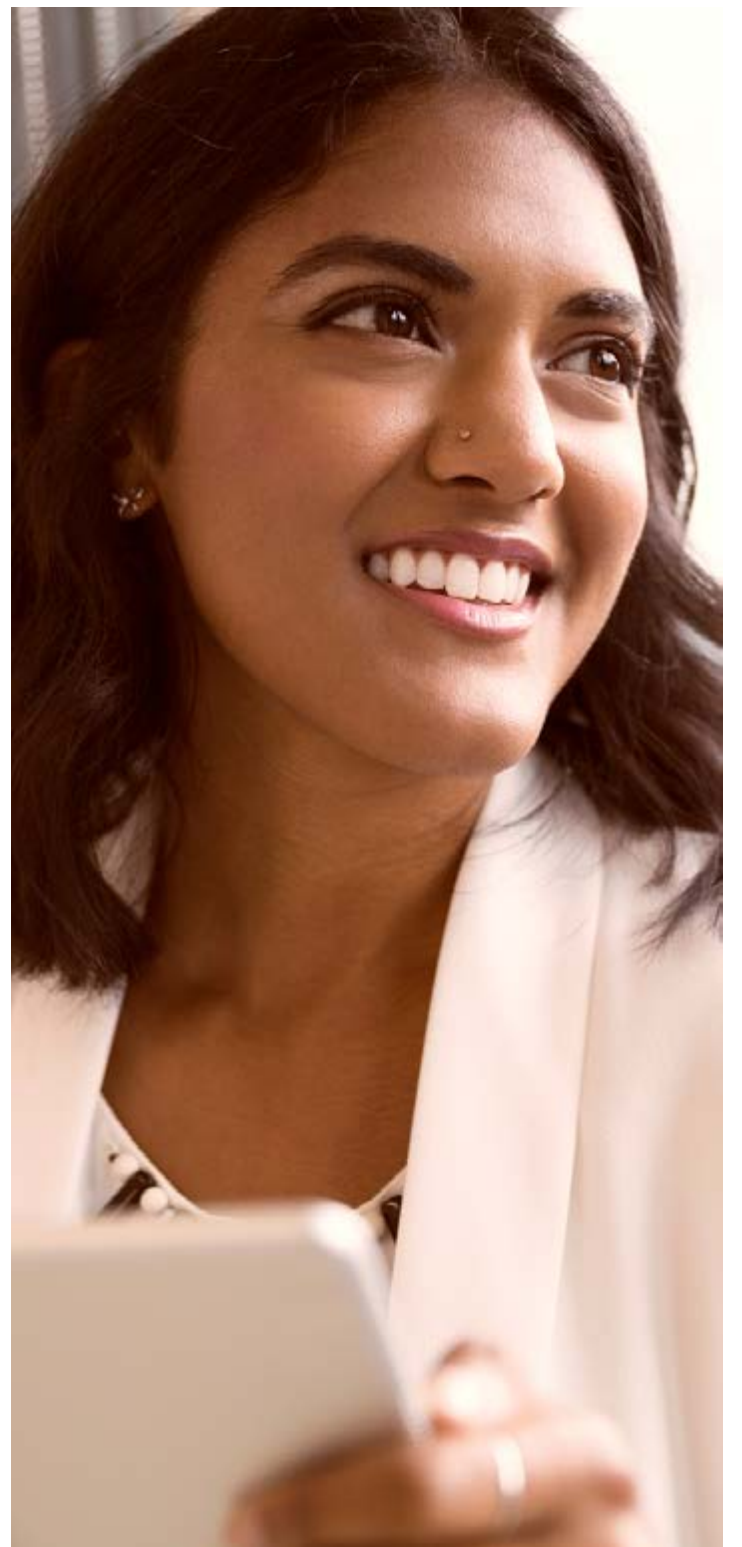
Providing an excellent client experience in Germany

Grant Thornton Germany is truly committed to deliver an excellent client experience. The member firm not only implemented the Client Voice methodology, but also went beyond it to adapt it to their own needs and integrate the approach into everyday work. Their internal CRM system is updated with the information about the client voice results, as well as with the history of the relationship with the client. The German member firm encourages their employees through internal awards, among other things, to deliver an excellent client experience. In addition, they established a client experience working group that connected partners and managers from different business lines to find new and creative solutions for better client experience.

“We recognise a better understanding and an improvement with regard to client experience in our organisation, but still see the need to push this idea further and keep the ‘flame burning’. That’s why this working group is so helpful,” Michael Verhasselt.

“Providers can be quickly replaced, excellent relationships not! That’s why we should continually work on excellent client experience!”

Michael Verhasselt, head of business development, Warth & Klein Grant Thornton (Germany)

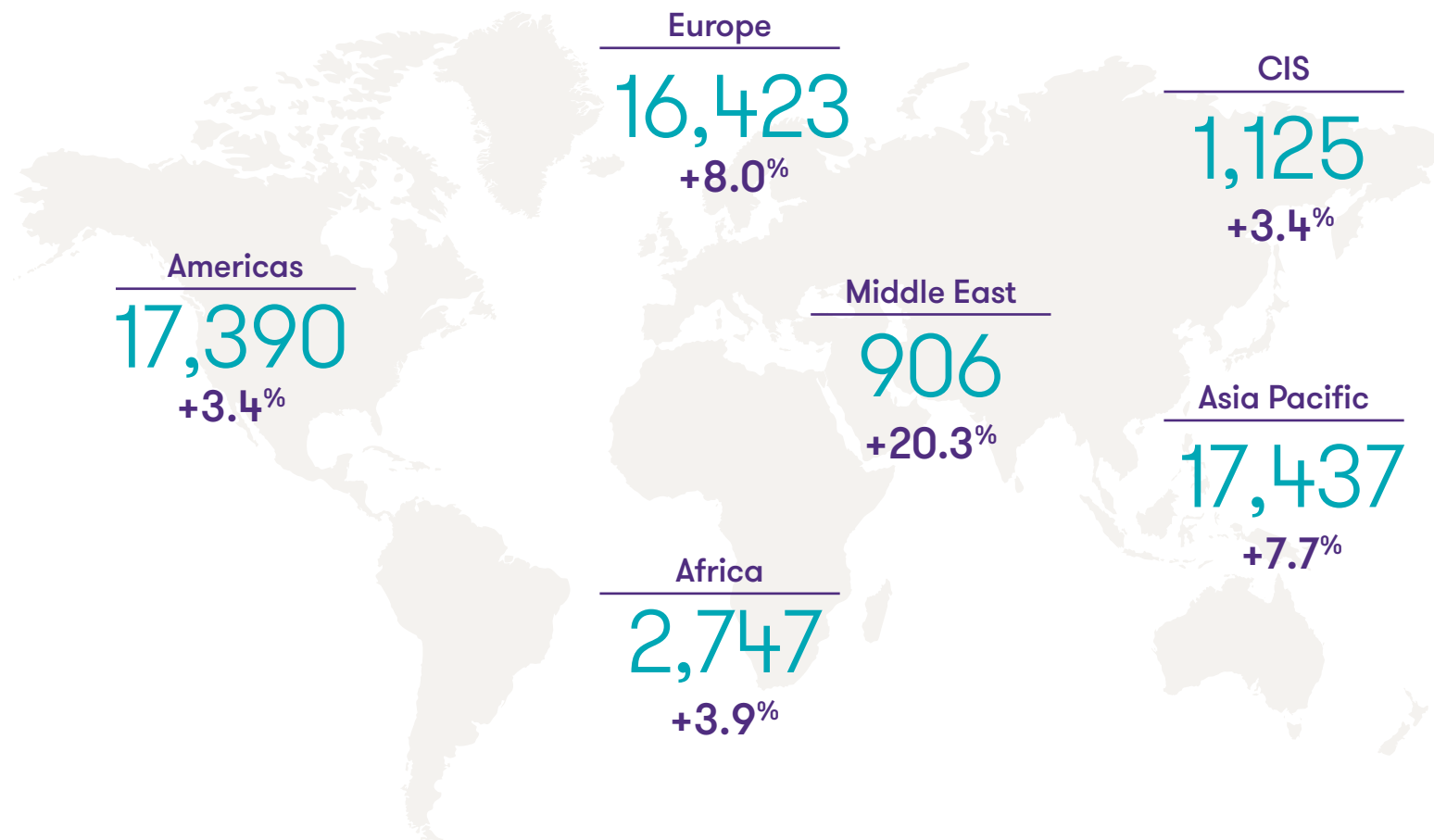


Working with our people

Growing sustainably



56,028 + 6.3%
people across the
global network



1:14.5
Partner to staff
ratio



43.9%
Assurance



26.2%
Advisory



15.6%
Tax



14.3%
Others

*The + percentages are in comparison to last year

At Grant Thornton, we believe that people are our most important asset. The global network of more than 56,000 diverse, dedicated and ambitious people is what really sets us apart. They are what drives us, what makes clients and communities grow and what gives us a competitive edge.

To create the distinctive Grant Thornton experience, we need to provide an exceptional experience for both our people and our clients.

Our people strategy revolves around creating an exceptional Grant Thornton people experience in every country, by investing in the development of transformational leaders and promoting equality and diversity. We want people to love working at Grant Thornton.

Our strategy regarding people culture is clear: we need to first focus on leadership capabilities. To truly transform our organisation, we require leaders who are:



purposeful, courageous and inspiring – those who can create an innovative and inclusive environment that attracts talent and embraces diversity



deeply collaborative with strong connections to their peers and the global organisation – those who can navigate their firm through the increasingly complex external environment.

We also recognise that to support a culture of innovation and collaboration and attract and develop transformational leaders, we need to significantly shift the diversity (specifically gender) needle at a leadership level across the network.

To achieve this, we have shaped our diversity agenda with our member firm leaders to support the creation of an inclusive culture and a future-fit Grant Thornton.

Finally, we need to develop and shape a global approach that is aligned with business needs to deploy and develop high potential talent through strategic global mobility programmes and experiences.

Doing all of this will help us attract and retain the most inspired, talented and committed people.





Transforming a business through leader-led culture change

The leadership team of Grant Thornton LLP in Canada has a clear view on creating a sustainably profitable firm: developing leaders as coaches; and creating an environment where everyone is focused on supporting their colleagues, clients and communities.

“We’ve been on this exciting, challenging and rewarding journey for a number of years now,” explains Sharon Healy, chief people and culture officer of the firm. “Our culture is a strategic asset, and our leaders are dedicated to its continued evolution.”

The firm has accredited 100+ partners as coaches, as well as more than 25 of their people and culture managers. So far, they have formally coached more than 800 of their colleagues. The firm’s culture has gained external recognition, achieving the Great Place to Work ‘Best Workplaces’ accolade every year from 2008 to 2019. And the word has now reached job seekers, with the firm attracting three point five times the number of job applications in 2019 than it did four years before. And it continues to have a positive impact on the firm’s top and bottom line financial results.

“As CEO, culture is my number one priority. I know if we have a great culture, we will build a successful firm and we will be able to help our clients, colleagues and communities thrive. Since leaders have the greatest impact on culture, we’re very focused on helping our leaders and partners be the best that they can be. We believe that great coaching is at the heart of great leadership. For this reason, we continue to invest in building a coaching culture where partners are able to help themselves and our colleagues maximise their own potential.

Kevin Ladner, CEO, Grant Thornton LLP (Canada)

Attracting and developing transformational leaders

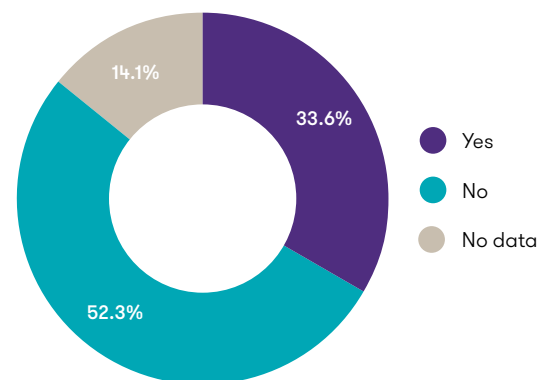
At Grant Thornton, we believe that to create a culture of innovation and collaboration, we require transformational leaders at all levels of our organisation – leaders who are flexible in their leadership style and who can adapt to the new and fast-changing world, restless in their pursuit of new ideas and disruptive in their thinking. Therefore, attracting and developing transformational leaders is a key priority of the people strategy.

In reviewing the results from our global engagement survey, PeopleVoice, GTIL identified that people across the network felt individual member firms can do more to develop talented people.

People also believe that firms should take further measures to drive sharing of ideas, information technology and skills across the network.

In response to this need, GTIL has devoted resources towards programmes and initiatives to support and build transformational leaders across the network. This includes the innovative global development programme outlined on the next page. These are a great benefit to members firms who do not develop their own in-house programmes.

Presence of leadership and development programmes in member firms (does not account for GTIL global programmes)



Contributing to the United Nations Sustainable Development Goals

Through our work in this area, we want to contribute to the achievement of SDG 4 and 17, with particular consideration of the following sub-targets:

4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development

17.6 Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilise and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries

This is an extract from the UN SDGs and their sub-targets. For further information, see <https://sustainabledevelopment.un.org/>

In 2019, we had a strong focus on designing and delivering leading-edge global leadership programmes and experiences to support people throughout their career journey. These milestone programmes aim to build global and regional connection, collaboration, understanding and trust through shared experiences, deep cross-cultural learning and enhancement of relationships. They included:



2019 cohort of the senior leadership programme, at Harvard

“Being a partner in a professional services firm can be challenging, but the programme truly focused on the various aspects we need to focus on for success – strategy, clients, operations, talent and leadership.”

Amy Roberts, partner, Grant Thornton US

The newly updated senior leadership programme (SLP) in partnership with Harvard Business School

In March 2019, our flagship global leadership course, the SLP, had its opening session at Harvard for the first time. The programme was attended by a diverse group of 43 participants from 28 different countries, 47% of whom were women. Overall, the course received great response from the participants.

The exceptional coach programme (ECP)

To support the network and help our member firms grow together with their people and clients, we facilitate a 12-month coach development programme. The programme design is based on existing programmes deployed in our UK and Canadian firms and is an accredited qualification recognised by one of the world’s leading international coaching professional bodies, European Mentoring and Coaching Council (EMCC).

The first 18 participants from across our European network started their year-long journey in Paris in May 2019. Following this successful pilot, the programme is now being rolled-out internationally across the network.

The advanced leader programme (ALP)

This is our new and realigned programme for high-potential senior managers and directors across the network, bringing them together for a heightened global networking experience. It aims to amplify the participants’ leadership potential by providing opportunities to interact with clients and colleagues from around the world and learn, practice and collaborate across borders. The new group of 80 participants (43% female) from 35 countries met for the first time in Berlin, April 2019 and then in Tokyo in September 2019.

The emerging leaders programme (ELP)

The ELP is a three-day in-person programme for high-performing managers who are recognised as future leaders. The aim is to empower emerging leaders, strengthen their capabilities and support cross-border and cross-service line collaboration in our respective regions. In 2019, ELPs were held in three different regions: APAC, Africa and Europe.

Overall, a total of 250 member firm delegates participated in these global leadership development programmes. In addition, member firms across the world are providing a vast array of locally tailored opportunities for their people to develop as professionals within the network. Through these programmes, we will develop multi-dimensional leaders who:



Are driven by clarity of purpose



Display strong business acumen



Bring curiosity and empathy to their interactions



Are driven to achieve exceptional and sustainable outcomes

By doing this, we hope to inspire people, not just as leaders in their firms, but also in their regions and in the world.

In addition to these milestone leadership programmes, we want to empower our people by providing them with access to knowledge, tools and methodologies from across the network. In January 2019, we launched our new global online learning platform, Grant Thornton LearnConnect – an important step towards achieving this goal.

This platform replaces our former global learning centre and includes all GTIL learning materials, technical training (eg, ISA, IFRS, LEAP), and over 700 off-the-shelf courses on topics such as organisational strategy, personal wellbeing, and leadership. The new platform allows us to share learning materials in a centralised manner across the network at a low cost, supporting people's journeys to become transformational leaders.

In 2019, we also invested in implementing a series of people and culture policies to support best and fair practice in relation to salary, promotions and talent development across the network.



Our 20 representatives at the One Young World forum in London, 2019

The One Young World summit

We are also committed to inspiring young leaders of the future through our work with One Young World (OYW), a global forum for young leaders from across the world.

Its aim is to identify, promote and connect the world's most driven young leaders to create a better world with more responsible, effective leadership. Each year, the OYW summit convenes the brightest young minds from every country and sector, who work together to accelerate social impact.

In October 2019, 20 young leaders from a variety of service lines and 15 different countries across the Grant Thornton network, participated at the summit in London. Some of these delegates also took part in the Grant Thornton global conference in London the week after the OYW summit, where they shared their perspectives and insights from their experience at OYW.

By collaborating with OYW, we want to challenge conventional thinking and support young people in the network to become the transformational leaders of tomorrow.

Strategic talent mobility programmes

To attract and develop transformational leaders, we need to help people build great relationships – internally and externally – and then challenge them to learn, develop and master deep skills and capabilities in their chosen specialisms.

Through strategic secondments within our network, we want to offer people experiences that help them develop these capabilities and connections in order to deliver extraordinary results for their clients.

So, in 2019, we began to completely redesign the way we utilise our global mobility opportunities, with a specific focus on strategic growth markets.

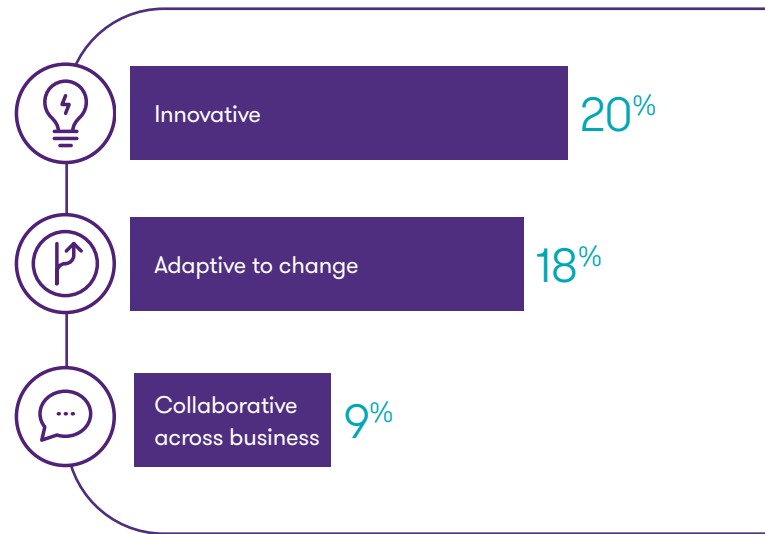
As a result, we have worked hard to remove barriers to growth and create a sustainable framework in this area, to make our mobility programme a key differentiator for the Grant Thornton network.

By bringing together key stakeholders, we have gathered input from member firms into a proposed agenda, initiated discussions with different service lines regarding mobility opportunities and have identified an international assignment candidate assessment vendor.

Our work to date represents the start of ambitious plans to build a world-class mobility programme that will help advance the development of Grant Thornton people into global, adaptive and transformational leaders.



The three most important attributes for business leaders of 2030



Source: Grant Thornton's International Business Report (IBR) data Q4 2018



Exploring the leadership of the future

As the business world is arguably on the cusp of the greatest period of transformation since the first industrial revolution, the Grant Thornton International Business Review (IBR) of 2019 focused on the leadership skills that will be needed for the future.

According to the IBR data, current global mid-market executives believe that the most important attributes for a business leader in 2030 will be to be innovative, adaptive to change and collaborative. The IBR also highlights the role of digital skills, training and development, as well as diversity for business success.

Clearly, the changing landscape means that business leaders need to adapt their own skills and those of their teams, both to remain competitive and to be equipped enough to take advantage of the new opportunities in the marketplace.

The IBR Future of Leadership report can be found on our website: grantthornton.global/en/insights/articles/leadership-2030/



183
people

currently on international assignments within our network*

*As of 2019-10-29



Xu Hua
CEO, Grant Thornton China

Creating a strong employer brand in China

Like many organisations in the industry, Grant Thornton China has experienced significant growth in recent years. However, the ability to find young talent has proven challenging.

To address this and create a stronger employer brand, they decided to engage with their existing employees.

By investing in professional training and encouraging people to share their own stories of what it's like to work at Grant Thornton through videos on social media networks, they have successfully transformed their employer brand and have been able to attract new talent to the firm.

They have also invested heavily in different initiatives such as 'X Book', to increase interaction and communication among their 5,000 employees and create a distinctive company culture. This has resulted in a notable increase in eNPS (Employee Net Promoter Score), from -16% in 2015 to a positive 11% in 2018.

eNPS



-16%
in 2015



+11%
in 2018

Promoting diversity and inclusion

At Grant Thornton, we believe that diversity and inclusion (D&I) is fundamental to reach our goal of becoming the next-generation professional services network.

Working with clients across the world, the diversity of experiences and perspectives in our teams is what helps us create an exceptional client experience.

By adding different perspectives and contributing to our collaborative culture, diversity helps us meet the demands of a changing world.

Recently, several studies have shown how diversity and equality can result in increased profits and productivity¹⁴. Businesses will therefore thrive by building diverse teams and inclusive cultures that decentralise control and empower people to take charge.

Against the backdrop of such research, we recognise that there is room for improvement. The network's global workforce represents more than 140 different countries and consists of more than 48% women, yet the gender balance at a partner level stands at 21%.

In recent years, we have seen a clear increase in the number of female partners, however progress towards gender equality could move at a quicker pace.

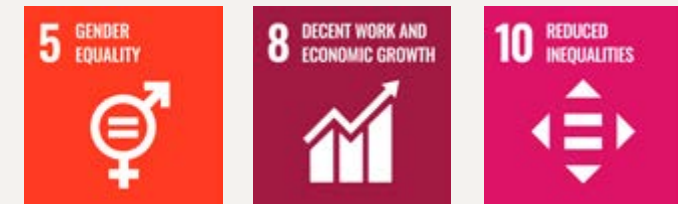
As a result, we have focused heavily on the diversity and inclusion agenda to support the creation of an inclusive culture and future-fit Grant Thornton.

Over the last 15 years, GTIL has also been building proprietary research into the issue of women in business through the Grant Thornton International Business Review. In 2019, we published the Blueprint for Action covering six core action areas to accelerate change. grantthornton.global/en/insights/women-in-business-2019/blueprint-for-action/

“Business advantage depends on us being collaborative and innovative, with our clients and each other. This can only be accomplished in an environment that is psychologically safe and inclusive, getting the very best from diverse thinking and perspectives.”

Kim Schmidt, global leader people and culture, GTIL

¹⁴ Bureau for Employers' Activities (ACT/EMP) International Labour Office, *Women in business and management: the business case for change*, Geneva: ILO, (2019)



Contributing to the United Nations Sustainable Development Goals

Through our work in this area, we want to contribute to the achievement of SDG 5, 8 and 10, with particular consideration of the following sub-targets:

- 5.1 End all forms of discrimination against all women and girls everywhere
- 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life
- 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
- 10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

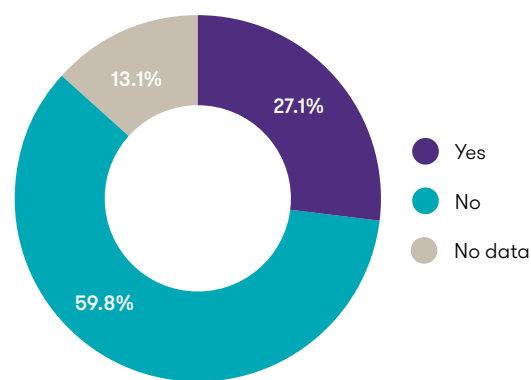
This is an extract from the UN SDGs and their sub-targets. For further information, see <https://sustainabledevelopment.un.org/>

In 2019, we invested heavily in engaging with and communicating the global diversity strategy to member firms in order to build momentum across the network.

Together with key stakeholders, including regional collaboration groups, people and culture (P&C) leaders, the Board of Governors and the Strategy Committee, we encouraged collaboration and the sharing of best practice.

One of the main strategic priorities has been to build awareness of diversity and inclusion among senior leaders in our network. To do this, we have delivered sessions on diversity and inclusion at regional conferences, provided member firms with new tools and resources, increased the D&I council membership, and invested in specific D&I Activation Conferences for leaders and high-potential female talent. This involved a specific focus on our strategic growth markets to help member firms improve their D&I performance and become beacons of light across the global network.

Presence of diversity and inclusion strategy in member firms



Furthermore, we have taken significant measures to empower women and ensure diversity at all global milestone leadership programmes (SLP, ALP & ELP) by targeting at least 40% female participants. In 2019, 44% of participants on the SLP and 45% of participants on the ALP programmes were women.

In addition, the business coaches and leaders used to support these programmes were also gender balanced to ensure we are providing strong diverse role models. These deliberate measures are all important to guarantee differing perspectives, increase personal development and speed up progress towards achieving full gender equality in the global network.

While we strive to make sure that everyone is treated fairly, and no one is discriminated based on gender, ethnicity, race, sexual orientation, pregnancy, marital status, age, disability or religion or belief (or lack of), many people have a general unconscious bias. In the recruitment and promotion processes across our network, we have a key duty to help reduce this unconscious bias.

By highlighting this matter and working proactively, for example in the milestone leadership programmes, we can help to prevent what some external studies of the market have shown – that women often are being recruited on current capability, while men are recruited on their future potential¹⁵.

“Diversity is not a women’s issue. Women get it. They live with it every day. Change happens when leaders take action. I say to all the men in the room: embrace it and own it.”

Greg Keith, CEO, Grant Thornton Australia

With strong commitment to becoming a more diverse and inclusive network, we were pleased to be ranked as a top 50 global employer for diversity and inclusion (D&I) according to the new index developed by Universum in 2019.



Top 50

By Business Students

Over 247,000 business and engineering/IT students shared information and business students ranked us 28th in the world based on their perceptions of us against three attributes –

1. Support for gender equality,
2. Commitment to D&I, and
3. Respect for its people.

Although our journey to create a more diverse and inclusive environment across the network continues, this award recognises the great work that is already being done in member firms, and reinforces that we are on the right track.

¹⁵ Player, A., Randsley de Moura, G., Leite, A. C., Abrams, D., Tresh, F., *Overlooked Leadership Potential: The Preference for Leadership Potential in Job Candidates Who Are Men vs. Women*, *Frontiers in Psychology*, 10:755 (2019)

Case studies



Delegates at the European diversity and inclusion activation conference, March 2019

European Diversity and Inclusion Activation Conference

In March 2019, around 50 delegates from our European member firms, including several CEOs, attended our pilot diversity and inclusion (D&I) conference in Rome to frame, discuss, and accelerate our D&I agenda.

The event set out a compelling business case for change. Delegates took a deep dive into research and case study examples to explain why diverse teams, specifically gender diverse teams, lead to greater innovation, collaboration, and psychological safety. All of which significantly improves business performance across several financial measures.

Additionally, member firms shared best practices and ideas for how they are accelerating the development and progression of women in their firms. The conference also featured a panel discussion with some of the high potential female talent in attendance to discuss what it's like to be a woman in the professional services industry, challenges experienced, etc.

The two days concluded with a strategy session for the CEOs and business leaders and professional development workshops for other attendees.



Greg Keith, CEO, and Louise McCann, chair, Grant Thornton Australia with Peter Bodin

Becoming a more inclusive organisation

In Grant Thornton Australia, there has been a strong emphasis on creating a more inclusive environment within the firm to reduce fear of discrimination or prejudice and to encourage diversity.

In 2018, the PRISM network was launched to drive LGBTI+ awareness and develop initiatives for LGBTI+ people and their allies. Since inception, the network has gained more than 300 members across all offices, and in 2019, the firm was recognised as a Bronze Employer in the Australian Workplace Equality Index (AWEI).

The firm also received the Grant Thornton Experience Award 2019 for their diversity efforts, and according to CEO Greg Keith, they will continue to invest in their people and communities to enable every person can be comfortable being themselves, while enjoying a long career at Grant Thornton.

Providing an exceptional people experience

Delivering an exceptional people experience goes hand in hand with building a culture of innovation and collaboration. Our culture is one of our most valuable assets, which has inspired us and steered us.

The world we live in today demands a culture that embraces change and welcomes a diverse range of opinions that challenge conventional thinking. It requires a culture that constantly brings an external view to the business within which member firms operate.

With this in mind, we are investing heavily in tools for collaboration, leadership development and diversity. We are also working to embed wellbeing into Grant Thornton culture by thinking about purpose at work, compensation and pay, workplace design, time off, additional benefits and learning and development, to meet people at their different stages in life – whether they are recent graduates, new parents or soon to retire.



Our dedication to creating an exceptional people experience is also reflected in our inclusion, for the fifth consecutive year, on Universum's list of the World's 50 Most Attractive Employers for business students.

Our dedication to this field is reflected in the global people promise, which was developed in 2015 and describes the four areas that our people say keep them most engaged with Grant Thornton:



I am free to be authentic

Our culture enables and encourages each of us to be honest with our personal values and purpose in our work lives. Being recognised and respected for the unique perspective that we each bring.



We are better together

Collaboration with each other, with clients and with other professionals broadens our thinking and improves our approach. We enjoy learning about other people and applying that learning in our work.



I am inspired to make a difference

We know that each of us directly contributes to clients' growth, to the development of our colleagues, and to the communities where we work and live.



My growth is continuous

Development is achieved through stretch and challenge, offered with support and coaching that enables people to be better than they believe they can be.



Contributing to the United Nations Sustainable Development Goals

Through our work in this area, we want to contribute to the achievement of SDG 3 and 8, with particular consideration of the following sub-targets:

- 3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being
- 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
- 8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training
- 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

This is an extract from the UN SDGs and their sub-targets. For further information, see <https://sustainabledevelopment.un.org/>

Measuring our people experience

To measure our performance, the Board of Governors mandated the Employee Net Promoter Score (eNPS) as the global measurement of the Grant Thornton people experience in 2015.

eNPS is a measure of how likely people are to recommend Grant Thornton as a workplace to others. All member firms are now obligated to measure their eNPS and share their data with GTIL for inclusion in the global benchmark report.

To support this, member firms are able to use the PeopleVoice tool, which in addition to eNPS also can measure people experience index (PXI) and engagement index (EI).

The PXI is an index used to diagnose our people's overall experience of Grant Thornton by asking questions in relation to our value proposition.

Results are summarised within the four components of our people promise (see above) in mind.

The engagement index (EI) measures employee engagement and is comprised of five key engagement drivers, which are primarily influenced by people's feedback on firm wide policies and initiatives that are typically driven by the central P&C function in each member firm.

In 2018, 57 member firms measured their people experience, covering 31,352 people, accounting for 59% of our global headcount. It should be noted that individual firms may measure their peoples' experience on an 18- or 24-month basis, so not all firms are included every year.

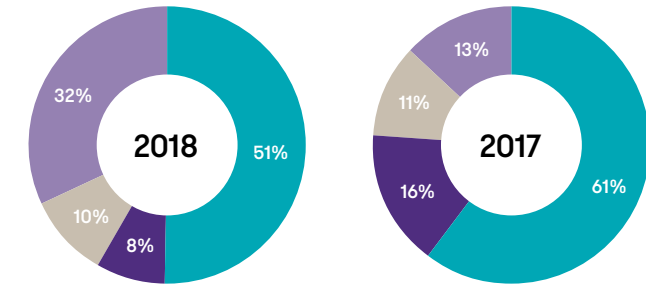
Looking at the combined figures for 2017 and 2018, where 90% of our headcount was covered, the results show that people are highly engaged and feel we are delivering on our people promise.

Out of the respondents, 83% said they were proud to be associated with Grant Thornton. Firms in the Asia-Pacific region were rated the highest in terms of both eNPS, EI and PXI. The Grant Thornton global eNPS score is 4%, which is considered to be an average score according to Comparably¹⁶, and we want to improve further.

While pride in being associated with their firm and the sense of purpose that our people derive from their roles were top drivers for both eNPS scores and EI, continuous growth remains the lowest scoring element of the people promise globally.

We are therefore investing in talent development, recognition and education for the network's people and are focused on continuing to build an exceptional people experience.

PeopleVoice adoption -% of headcount



Global metrics for 2017 and 2018 combined:

Employee Net Promoter Score	4%	
Engagement Index	69%	3.94
People Experience Index	78%	3.71

¹⁶ <https://www.comparably.com>

The eNPS also shows that younger people, with shorter tenure and in less senior roles are less likely to recommend Grant Thornton as a workplace, compared with older and more experienced colleagues.

This indicates the need to invest in younger talent to attract and retain the best people to improve client experience. A core part of this is seeing that new recruits get the best possible welcome to Grant Thornton. With this in mind, the GTIL P&C team launched new onboarding tools across the network in 2019 to enable member firms to share consistent key global messaging with new hires at all levels.

Another initiative launched by GTIL to share and highlight best practice at a global level was the Grant Thornton People Experience Award. This is awarded to the firm, team or individual who leads or develops unique initiatives that create a distinctive and differentiated people experience for our organisation.

Winner of the 2019 award was New Zealand for their exceptional work to transform their people experience by aligning it with their vision and strategy.



83%

of survey respondents are proud to be associated with Grant Thornton





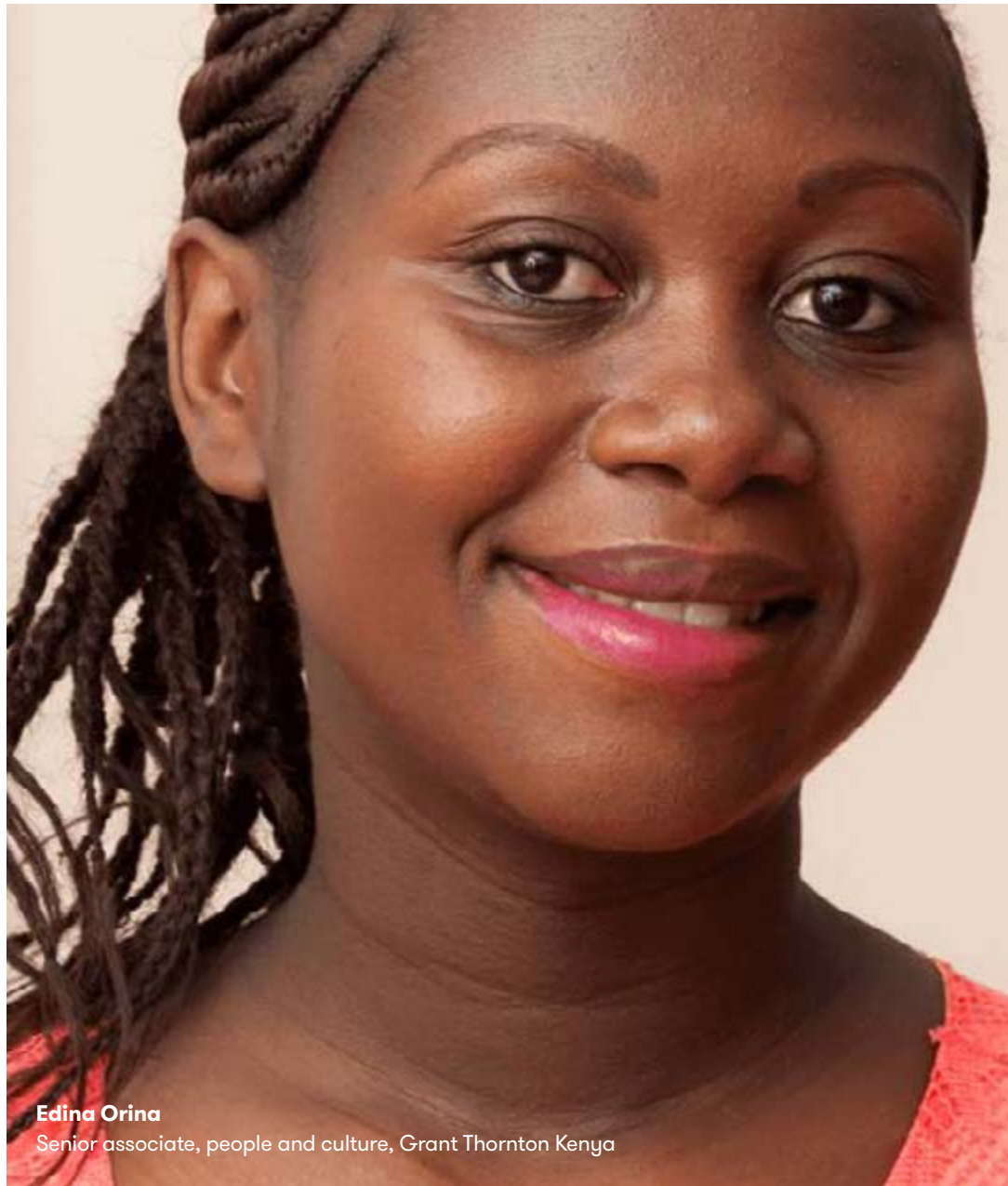
Transforming the people experience in New Zealand

When Grant Thornton New Zealand started using PeopleVoice in 2015, they found out something pressing – their employee net promoter score measured a low -6%. The culture comprised disparate people experiences across teams, service lines and offices, and change was required.

Over the following three years, the firm invested heavily in transformational leadership programmes, worked intensively with their partners and brought together people from the whole organisation to create a cohesive ‘one firm’-culture. The results from their efforts can now be seen in their PeopleVoice from 2018, measuring an all-time high eNPS of +45%, with a record-low employee turnover and a strong employee value proposition.

“We needed to operate as one firm with a culture of collaboration, trust, and high performance.”

Liz Hall, national director of people and culture, Grant Thornton New Zealand



Edina Orina
Senior associate, people and culture, Grant Thornton Kenya

Creating a unique people experience in Kenya

With a total of 160 employees, Grant Thornton Kenya understood that a large part of their success was down to their strong relationship with their most important asset – their people.

To create an exceptional people experience, our Kenyan member firm invested in several new initiatives in recent years, based on the results from their yearly PeopleVoice.

This includes the creation of a work football team, providing a ‘fun room’ with games for employees and conducting quarterly forums between departments to facilitate collaboration across service lines. Additionally, employees who have shown great commitment to the CLEARR values are rewarded every month. Not only does this promote the CLEARR values within the company, it also recognises their most talented individuals.

In recent years, the firm had a strong strategic focus on empowering their female leaders. In 2017, they introduced the “Purple Rose” initiative, which brings together women in the firm of all ages and seniority, to share knowledge, tools and inspiration with each other. By doing this, and always considering more female leaders for promotion, they hope to increase diversity at senior level, whilst continuing to grow as a next-generation professional services organisation.

“We focus on our people because we believe that in order to offer first-class services, our people need to be happy.”

Edina Orina, senior associate, people and culture, Grant Thornton Kenya

Creating sustainable working habits

In an increasingly stressful world, we recognise our responsibility in helping people to look after themselves and their mental health.

That is why GTIL has woven wellbeing and resilience topics into all of its milestone development programmes, creating a range of supportive programmes on its LearnConnect global e-learning platform.

Not only this, flexible working arrangements are also available in many of the major firms and in GTIL, allowing people to fulfil their wider responsibilities around their work schedule in a more agile way.





Our organisation



Reducing our environmental footprint

The world today is facing unprecedented, interconnected environmental challenges in areas including climate change, extraction of natural resources, pollution of air and water, disposal of waste and loss of biodiversity.

Every day, more than 10,000 people die prematurely as a result of exposure to ambient air pollution, according to the World Health Organisation. Every month, thousands of species become extinct because of land use change and human activity. Every year, as a world, we emit more than 50 billion tons of CO₂ into the atmosphere, accelerating climate change.

These global trends present some of the most serious challenges in moving towards a more sustainable world.

At Grant Thornton, we acknowledge the severity of the situation and the responsibility of the business community to decrease the environmental impact that we have.

We understand that changes in the environment will bring about changes within the global economy, our business and the markets and communities in which we operate.

This presents both serious challenges to which we must adapt, and also significant opportunities to help clients grow and succeed in this new reality.

We want to play our part in this transformation through our own global operations and through the services that member firms provide. By proactively addressing environmental risks and opportunities, we can create a future-fit Grant Thornton with a positive impact on our clients, people, markets and communities.

The network's main environmental impact comes from the energy we use at our 700+ offices all over the world, our travel and transportation, resource utilisation, the waste we produce, as well as the way in which we procure goods. The way in which member firms offer services to clients also has an impact on the environment, and these are all areas that we hope to examine as part of our exploration into the way we impact the global environment.



Contributing to the United Nations Sustainable Development Goals

Through our work in this area, we want to contribute to the achievement of SDG 7, 12 and 13, with particular consideration of the following sub-targets:

- 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
- 7.3 By 2030, double the global rate of improvement in energy efficiency
- 12.2 By 2030, achieve the sustainable management and efficient use of natural resources
- 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
- 12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle
- 13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

This is an extract from the UN SDGs and their sub-targets. For further information, see <https://sustainabledevelopment.un.org/>

Grant Thornton does not currently have a global environmental policy, and we recognise that there is an opportunity for us to do more to reduce our environmental impact. We are looking to investigate a variety of ways in which we can improve our environmental performance at a global level over the coming years.

At a local level, several member firms have already developed their own policies and practices in order to become more environmentally sustainable.

Following recent research amongst 65 of our member firms, it was apparent that approximately 68% had some sort of environmental initiative in place to reduce their environmental footprint.

This includes initiatives like providing bicycles and helmets to visit clients (Grant Thornton Denmark), recycling and minimising paper usage, compiling a guide for eco-friendly attitude (Grant Thornton France), starting an eco committee (Raymond Chabot Grant Thornton, Canada), reducing energy usage and undertaking regular beach cleaning events (Grant Thornton Taiwan and Grant Thornton Channel Islands).

23% of respondents had a specific environmental policy in place which stated their commitment and goals towards environmental responsibility, and eight member firms confirmed that they measure their environmental impact. With this in mind, we recognise the opportunity to achieve more in this regard across the board.

Of course, all firms within the Grant Thornton network must comply with existing national regulation relating to environmental management and stewardship within the jurisdictions where they operate. Environmental priorities and legislation will vary depending on a firm's location. However, here are some of the key ways in which we believe the network could deliver environmental improvements.



1. More sustainable travel

As a network with thousands of clients and people spread across more than 100 countries all over the world, we recognise that we have a significant impact on the environment through our travel.

To promote more sustainable travel, GTIL has developed travel policies for our employees and contractors, which also encompasses attendees to GTIL-convened meetings.

These state that, to minimise the impact travel has on people and our carbon footprint, people should travel only when it is essential to do so, and increase use of technology to meet virtually.

By using more environmentally-friendly means of transportation such as taking the train instead of flying, cycling instead of using the car, and promoting the use of digital e-meetings, we can decrease our CO₂ footprint and contribute towards fighting climate change.



2. Leveraging more sustainable energy sources

With more than 56,000 people in over 700 office locations, the network uses considerable amounts of energy at a global level.

To reduce this negative environmental impact, member firms can start measuring their energy usage, increasing energy efficiency at their offices through a variety of means, from LED sensor-based lighting, to switching to more renewable energy sources whenever possible.



3. Making procurement more sustainable

Member firms' combined global revenue is more than USD 5.45 billion.

Aside from the salaries paid to our people, a substantial share of this revenue is spent on procurement of goods for our offices, such as paper, pens, computers, cups, coffee, food and furniture. Increasing our use of common procurement policies represents a significant opportunity for the business to improve our environmental impact through better procurement processes, whilst supporting business efficiency and working towards a more sustainable future.



4. Improved waste management

Waste is a continuously growing global environmental challenge, with serious effects on biodiversity, people's health, and climate change. Managing and recycling waste at offices across the world is an important task in order to reduce our negative impact on the environment.

By reducing single-use products, promoting recycling and installing recycling bins in offices across the world, we can contribute to better waste management. The network will need to consider global initiatives and processes that will raise awareness and improve future waste management.



5. More environmentally-conscious people

Lastly, we believe that environmentally conscious people are key to solving this challenge. By promoting environmental consciousness among all Grant Thornton people globally, we can reduce our environmental impact and grow together with our people, clients, markets and communities.



Karen Higgins
Head of sustainability, Grant Thornton UK

Taking the lead on environmental responsibility in the UK

It was a change in client requirements which triggered Grant Thornton UK to implement a new environmental management system and get certified according to the international ISO14001 standard in 2011.

Initially, the certification only applied to their London office, but in 2015 it was extended to all their offices in the UK.

At the same time, they started measuring their greenhouse gas emissions and partnered with a sustainability consulting firm to improve their environmental performance. Some years later, in 2018, they took their boldest decision yet, and signed up for the Science Based Targets initiative.

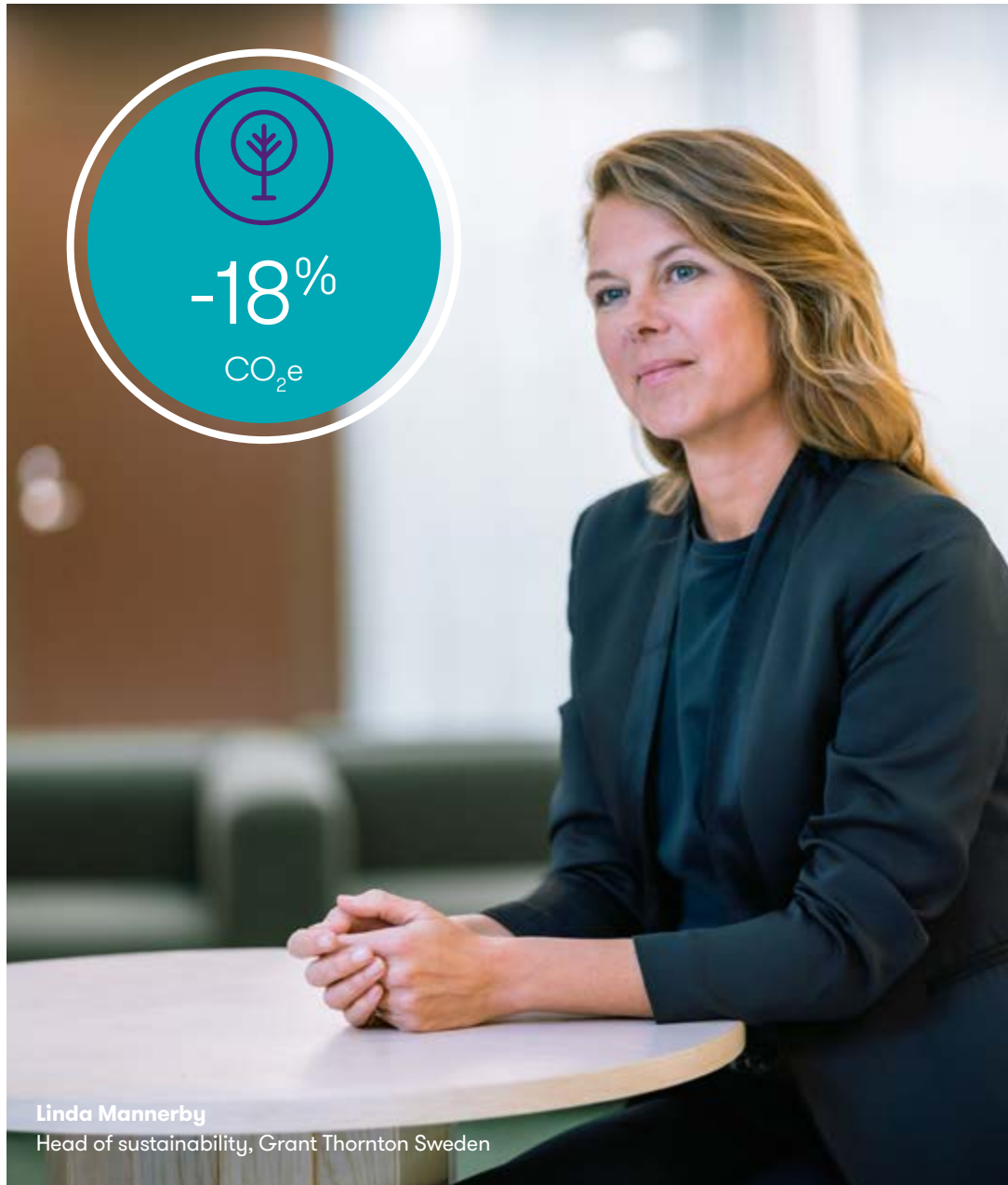
This initiative calls on companies to set science-based targets for their greenhouse gas emissions that are in line with the latest climate science and the goals of the Paris Agreement. As of today, about 300 companies across the world have set approved science-based targets.

So far, Grant Thornton UK has managed to reduce its emissions from electricity usage by a staggering 94% by switching to renewable energy contracts. They have also eliminated plastic and paper cups, reduced air travel emissions by 17% and managed to reduce paper consumption by 42% over the past three years, saving approximately 1,200 trees.

Progress in reducing greenhouse gas emissions is reported yearly to the Carbon Disclosure Project, CDP, and the firm also publishes a yearly *Communication on Progress* to the United Nations Global Compact with regards to environment, human rights, labour and anti-corruption.

“We are the first accountancy firm in the UK to set science-based targets, which demonstrates our commitment as a responsible business to tackle the impact we have on our environment. Working towards and meeting these targets in 2023 will be of benefit to our business, clients and suppliers, and this drive for positive change is essential for attracting both talent and clients to our firm.

Karen Higgins, head of sustainability, Grant Thornton UK



Strategic decisions to reduce emissions in Sweden

Grant Thornton Sweden has been working for several years to integrate sustainability into their business strategy.

By engaging with their stakeholders, they have identified three different focus areas for their strategy; clients, employees and society. In recent years, they have placed a strong emphasis on creating a more sustainable work life, giving sustainable advice to their clients and reducing their negative impact on the environment.

To achieve a reduced environmental footprint, the firm has appointed climate ambassadors at each of their offices, switched to renewable energy and moved internal education initiatives from being conducted abroad, to host them locally in Sweden. Through these strategic decisions that benefit owners, employees and society, they managed to reduce their carbon emissions by 18% in just one year. They are now looking at ways to compensate for their remaining emissions through carbon offsetting.

To report on their progress, Grant Thornton Sweden publish a combined annual and sustainability report on their webpage, following the Integrated Reporting <IR> framework.

“By integrating sustainability into the core of our business and working together with our clients, employees and other stakeholders, we believe we can have great positive impact on both business success and the wider society.

Linda Mannerby, head of sustainability, Grant Thornton Sweden



#EverydayCSR in India

In Grant Thornton India, working with community development goals on selected days of the year did not feel enough. To effect sustainable change requires concerted effort, the firm started #EverydayCSR, a programme aimed at inspiring employees to become more conscious of the environment and communities they interact with and find ways to recompense for the socio-environmental loss owing to fast urban growth.

Under this programme, several different initiatives have been implemented to protect the environment and improve performance. The awareness campaigns are fun and engaging, making them easy to implement and take beyond their offices. These initiatives include:

- **Firm Unplugged:** by switching off the lights at their offices for one hour every Monday, the firm saved more than 4,000 kWh during 2019 and made their employees more conscious about energy usage
- **Let's not laminate the Earth** – as plastic waste is a major problem in India, the firm has consciously reduced plastic consumption by introducing alternatives for disposable water bottles, cups and cutlery. By doing this, they have managed to reduce annual consumption of disposable plastic water bottles by 99%, from approximately 100,000 to just 1,000 bottles per year and disposable cups from 500,000 to nil
- **Let us all decide to divide** – to facilitate effective waste management and disposal, common waste management (CWM) platforms for dry and wet waste have been introduced at all offices. This allows waste to be segregated which allows for easier composting, recycling and incineration. Through the initiative, annual consumption of disposable plastic garbage bags have been reduced from 2,000 kg to 200 kg.

As a next step for sustainable change, Grant Thornton India is exploring the opportunity to reduce their carbon footprint by popularising use of communication technology and managing work meetings more efficiently. Monitoring change by recording data for their air travel over time will validate their success towards a reduced environmental impact.

“People have to see value in what is being done and once they see that, they are able to connect to the cause, and that is when change begins to happen.”

Kavita Mathur, people and culture leader, Grant Thornton India

Maintaining ethical standards

As a leading network of professional services providers, we want to contribute to sustainable development by creating more transparent and efficient markets, safeguarding human rights and combating corruption, illicit financial flows, money laundering, terror financing and other illegal activities.

It is imperative that we uphold our ethical standards throughout the network regarding how member firms manage their people, operate their businesses, deal with their clients and act in their communities.

Our focus on international human rights is on the areas where member firms have the largest impact through their business; involving labour rights, healthy and safe working conditions, equality and diversity, data-privacy, abolishment of child labour, elimination of human trafficking and modern slavery and anti-corruption.

Human rights abuse and corruption are two of the most serious obstacles to reducing poverty and achieving sustainable development across the world.

Meanwhile, corruption hinders and harms economic and social development, undermines fair competition and the rule of law, increases transaction costs, impedes long-term investment and decreases trust in financial markets.

For companies and investors, corruption poses a serious financial, reputational, operational and legal risk. Estimates show that the cost of corruption equals more than 5% of global GDP (USD 2.6 trillion), with more than USD 1 trillion paid in bribes by businesses and individuals each year¹⁷.

To address this inherently complex issue, new and tougher anti-corruption policies and regulation continue to emerge worldwide, prompting companies to focus on measures to protect their reputations and the interests of their shareholders.

As a network of member firms with thousands of professional accountants, we have a pivotal role to play in fighting corruption, as outlined by a report from the International Federation of Accountants (IFAC)¹⁸. A professional accountant's responsibility is not exclusively to satisfy the needs of individual clients or the employing organisation, but to the societies and markets in which they act.

Therefore, people within every member firm in the network are required to follow the guidelines within the International Ethics Standards Board for Accountants (IESBA) Code of Ethics for Professional Accountants, updated in 2018.

It sets out fundamental principles of ethics for our business, establishing the standard of behaviour expected by people in the Grant Thornton network.



¹⁷ *Clean Business Is Good Business; The Business Case against Corruption*, joint publication by the International Chamber of Commerce, Transparency International, the United Nations Global Compact and the World Economic Forum Partnering Against Corruption Initiative (PACI).

¹⁸ International Federation of Accountants, *The Accountancy Profession: Playing a Positive Role in Fighting Corruption* (2017).



Contributing to the United Nations Sustainable Development Goals

Through our work in this area, we want to contribute to the achievement of SDG 8 and 16, with particular consideration of the following sub-targets:

- 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
- 8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms
- 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment
- 16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all
- 16.4 By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organised crime
- 16.5 Substantially reduce corruption and bribery in all their forms

These principles include:

- integrity
- objectivity
- confidentiality
- professional behaviour
- professional competence
- due care.

The code also sets out minimum standards relating to bribery, anti-corruption and inducements.

No one in the Grant Thornton network will offer or accept inducements that might create a self-interest, familiarity or intimidation threat to compliance with the fundamental principles in the code.

In many jurisdictions, there are laws and regulations, such as those related to bribery and corruption, that prohibit the offering or accepting of inducements in certain circumstances. All Grant Thornton people will obtain an understanding of, and comply with, the relevant laws and regulations to avoid any conduct that might discredit the profession or the network.

Failure to respond appropriately to new or existing regulation could result in penalties, damage to the brand and significant missed opportunities for member firms.

Therefore, member firms, particularly those conducting cross-border work, must be up-to-date in their knowledge with respect to changes in regulatory and compliance requirements. Furthermore, changes in regulations that have global implications must be communicated across the network.

When a new member firm is admitted to the network, a thorough due diligence process is undertaken to check that the firm has appropriate processes in place with regards to business ethics, people and culture.

GTIL also has global people policies to promote fair treatment of employees in the network around the world. We also provide periodic training on the subject of modern slavery and raise awareness of the issue in the network through regular communication with member firms.

At a local level, member firms in different markets are working on various initiatives against corruption and bribery.

For example, several member firms have signed the United Nations Global Compact for Responsible Business, which is the world's largest voluntary initiative for sustainable business practices.

It calls for companies to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption to create a more sustainable world.

Member firms signed up to the initiative include (as of 2019):

- Armenia
- Afghanistan
- Greece
- UK
- Russia (FBK).



In accordance with the Modern Slavery Act in the United Kingdom, both Grant Thornton UK and GTIL also publish a yearly Modern Slavery Act Statement.

The statement sets out the steps that we have taken to guard against slavery and human trafficking taking place in our supply chains or in any part of the business.

To address the risk of modern slavery, a modern slavery policy has been developed for the people at GTIL, which sets out material risks, mitigation activities and how to respond to incidents. A procurement policy for how GTIL deals with suppliers and a supplier code of conduct making clear the expected standards, are also being developed.



Supporting data privacy and cybersecurity

As the world becomes increasingly digital, the threat of data breaches and cyber-attacks becomes more likely.

Cyber-attacks are now one of the fastest growing crimes in the world, and according to a report by Cisco, more than 50% of mid-market companies have experienced a cybersecurity breach¹⁹.

As a network of professional services providers, we manage a significant amount of sensitive and confidential information relating to people and clients. The threat of a cybersecurity breach is therefore one of the most crucial risks facing our network, and the profession at large.

Over the last few years, there has been increasing pressure from both regulators and clients to address the issue of cybersecurity, with public authorities now carrying out inspections of cybersecurity procedures among several of our member firms in the network.

Failure to adequately implement and continuously manage appropriate security controls to protect client, internal and member firm information, may lead to unintentional disclosure, loss, destruction or modification of data.

It is crucial that each member firm has appropriate standards in place to protect and safeguard their digital systems from cyber-attack.

To mitigate the risk of a data breach, a global cybersecurity programme was put in place in 2017, with an integrated legal, risk, IT and compliance approach.

The programme introduced minimum cybersecurity standards and a global cybersecurity policy (updated in June 2018) that all member firms are required to adhere to.

The policy touches on several areas that are important to achieve reasonable levels of cyber-safety, such as maintaining a cybersecurity plan, using encrypted disks, antivirus software, firewalls, management of mobile devices, content filtering, vulnerability scanning, security awareness training and more.

Larger firms with a high-risk profile are also asked to take out cybersecurity insurance and each firm is required to have their own incident response process and plan in place, ready to be implemented in the event of an attack.

All member firms in the network every firm conduct annual self-certification against the minimum cybersecurity standards.

Grant Thornton's minimum cybersecurity standards help firms prepare for possible attacks. This readiness is also visible in the market. 78% of all Grant Thornton member firms are rated "Advanced" for their cybersecurity posture by Bitsight, an independent security ratings service; these firms rank in the top 40% of all businesses and are statistically proven to have a lower risk of a cybersecurity breach. Overall, 95% of Grant Thornton member firms are above Bitsight's professional services average score.

In addition to this, the global cybersecurity compliance review programme (GCCR) – with external audits of member firms' cybersecurity controls – was established in 2019.



of Grant Thornton member firms are above Bitsight's professional services average score

¹⁹ Cisco, *Small and Mighty; How Small and Midmarket Businesses Can Fortify Their Defenses Against Today's Threats* (2018).

In its inaugural year, these audits focused on the ten member firms with the highest cybersecurity risk profiles. However, the plan is to introduce a rotating schedule where all member firms are monitored at least once every three years.

The GCCR will provide continuous evaluation of cybersecurity controls and will see that the network is resilient in the face of increasing cybersecurity risks.

If a member firm is not compliant with the minimum cybersecurity requirements, they will obtain support from GTIL to achieve a satisfactory degree of safety as soon as possible.

At the extreme, the firm may be subject to expulsion from the network in line with the member firm complaints policy.

To enable all member firms to have sufficient competence and capability to manage cybersecurity threats, GTIL has placed a strong emphasis on building knowledge at member firm level.

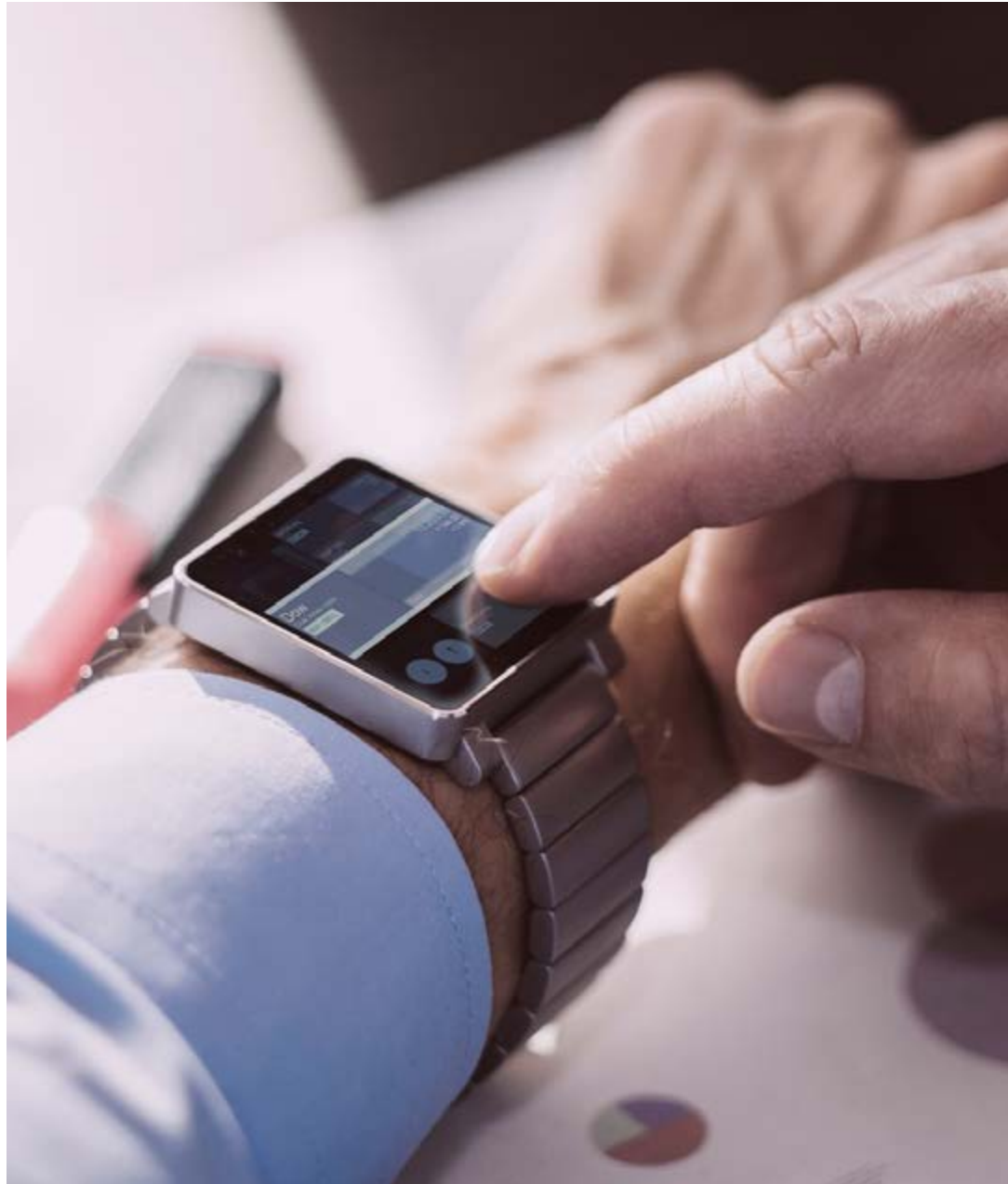
For example, we have developed a security incident procedure which describes how to respond to security incidents. Short videos have also been produced in conjunction with our US firm which have been circulated across the network, in order to build knowledge among colleagues on how to stay cyber safe.

These initiatives form part of a wider awareness-building and development programme, to supplement existing onboarding, phishing and annual cybersecurity training. Lastly, several committees have been established at a global level to follow the constantly evolving cybersecurity threat, develop knowledge and share best practice across the network on how best to stay cyber safe.

“All companies face an increasing cybersecurity risk, making this subject of great importance for our network. We are working hard to ensure compliance and mitigation of risk to protect our clients and communities. Securing our data is a shared responsibility.”

Sallie Stiens, chair of GTIL’s cybersecurity readiness task force





Finding business opportunities within cybersecurity

Some years ago, Grant Thornton Cyprus identified a gap in the international market of compliance tools, to specialise in privacy and cybersecurity for SMEs.

By employing internal expertise in the fields of cybersecurity, data privacy, compliance and corporate governance, and collaborating with cloud software application development specialists, they developed a new tool called Enactia.

Enactia is a cloud-based privacy and cybersecurity compliance management platform, available for all kinds of businesses all over the world. This initiative helped to both strengthen Grant Thornton Cyprus's client proposition, and improved their own internal performance on cybersecurity.

“Digital risk is multifaceted, so many people need to feed into the process. At the moment, this only happens in large, heavily regulated companies – especially those in financial services.

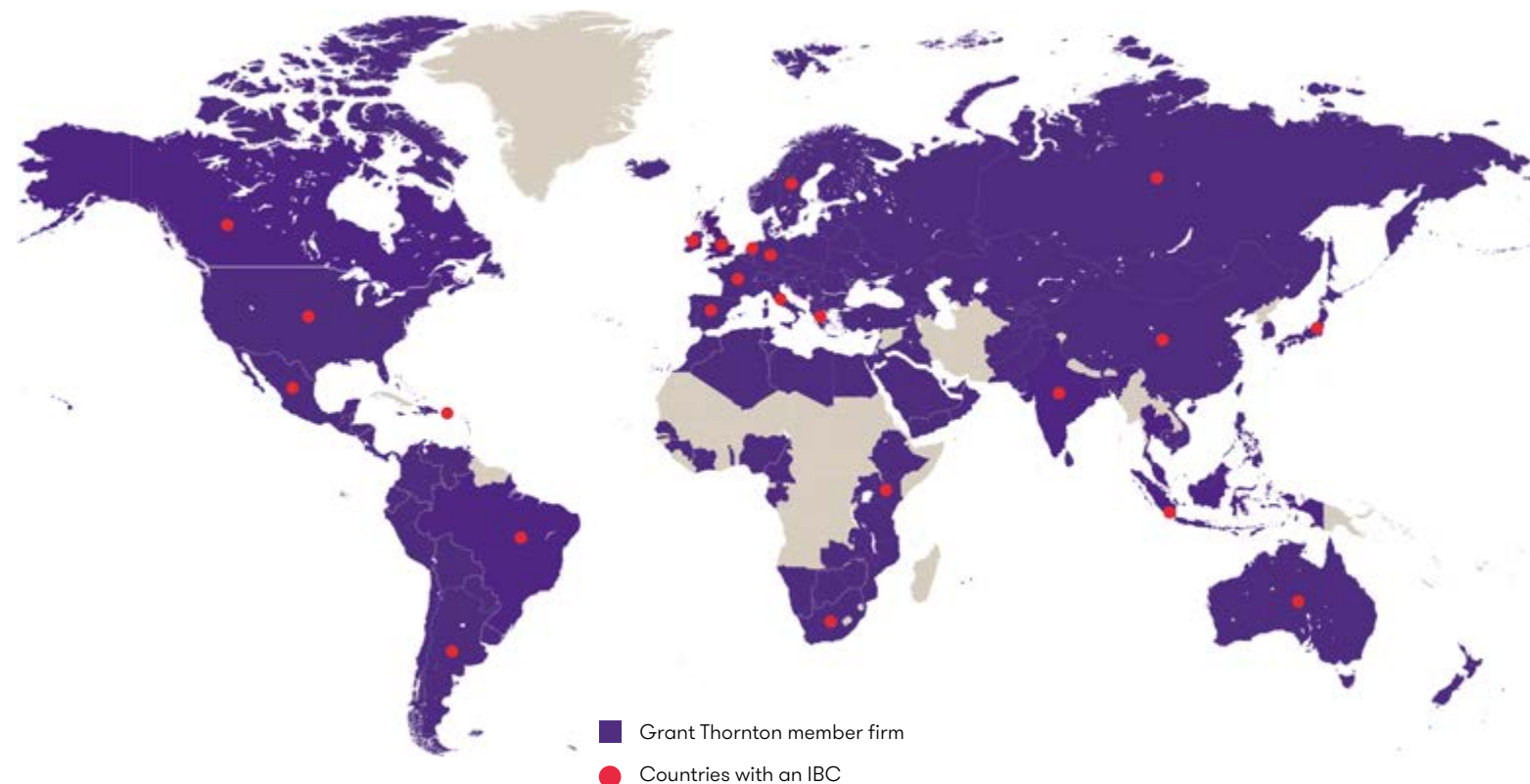
Christos Makedonas, technology risk leader, Grant Thornton Cyprus

Enabling cross-border collaboration

Making collaboration across borders is as seamless as possible is fundamental to our business.

Operating globally from 750+ offices across the world, the network wants to leverage our local knowledge and global presence to create a distinctive Grant Thornton experience. The scale of our network enables us to provide services across borders and connect clients globally.

To facilitate cross-border collaboration, Grant Thornton has developed 23 international business centres (IBCs), which operate as gateways to worldwide resources. They provide clients with services while operating as a hub for global communications, strategy and regionally focused business expertise.



Contributing to the United Nations Sustainable Development Goals

Through our work in this area, we want to contribute to the achievement of SDG 9, 17, with particular consideration of the following sub-targets:

- 9.3** Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets
- 17.6** Enhance North-South, South-South and triangular regional and international cooperation on and access to science, technology and innovation and enhance knowledge sharing on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the United Nations level, and through a global technology facilitation mechanism
- 17.16** Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilise and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries

This is an extract from the UN SDGs and their sub-targets. For further information, see <https://sustainabledevelopment.un.org/>

For firms who do not have an IBC, the role of the international liaison director (ILD) was created to drive the regional collaboration agenda. To create more transparency and engagement between IBCs and ILDs, GTIL launched regional working groups in Europe, APAC and Africa in 2018²⁰.

Their objective is to agree on core priorities for the different regions, share information and, ultimately, drive greater cross-border collaboration and action.

In 2018, many of the IBCs reported successful joint targeting initiatives, and more cross-border proposals requiring collaboration between members firms from multiple regions were identified.

Over the course of the year, the majority of all international proposals involved five or more member firms in the network.

Referrals are another key indicator reflecting the status of cross-border collaborations. In 2018, total referral revenues increased by over 11%. The Americas and Europe were the two regions with the highest increase of referrals with 34% and 7% growth respectively, compared to 2017.

As a global network, one of our strongest mechanisms for enabling firms to collaborate highly effectively is the regular opportunities we create to meet and share ideas. Representatives of member firms attended regional business meetings on an annual basis to discuss and agree business direction, share best practice and form tighter working relationships.

20 IBC Value Report, 2018

Collaborating to win

Germany is home to a large number of banks and financial institutions. Having identified significant potential for growth in the German financial services market, Warth & Klein Grant Thornton (Germany) recognised the need for more resources and specialist skills which would help them to win bigger clients and transform themselves into a meaningful alternative to their larger rivals.

In 2019, the firm reached an agreement with their colleagues from Grant Thornton UK and Grant Thornton Ireland to provide services based on a joint approach into the German financial sector.

Three member firms exchanged credential packs, marketing materials and personnel. Grant Thornton Germany is now looking forward to collaborating with their UK and Irish colleagues as they provide the experience, resources and diverse contacts needed to support the expansion of work in the German financial services sector.

In turn, Grant Thornton UK and Ireland now have the opportunity to perform services together with Grant Thornton Germany for their multi-national clients with a presence in Germany.



The infrastructure for cross-border collaboration



1. Revised policies for cross-border assignments, fees and billing, and pricing

In 2019, as a result of extensive consultation across the network, involving all service lines and over 25 member firms, cross border assignments, fees and billing, and pricing policies have been revised and approved by the Board of Governors. These changes were prompted by feedback from member firms who asked for:

- a principle-based approach, which includes greater transparency to help build trust between firms
- clarification around the responsibilities of member firms when referring and pricing work
- empowerment of firms to move at pace so they can win and serve more global clients
- improvement in the speed of payment between firms.



2. Country desks

Over the last few years, several member firms have been working together to form country desks, international corridors, and business groups to help facilitate and drive more global client work between the firms that track trade flows.

A working group of IBCs was formed in April 2018 to provide input on the global strategic development of the country desk network and maximise the opportunities for driving strategic growth across significant international trade routes.

The new approach includes a standardised development framework, a GTIL endorsement process, a mentoring programme and best practice tools.

In 2019, the newly-formed country desk committee gathered in London to discuss the strategy and approach to the country desk programme.



3. Core industries and strategic growth sectors

In order to increase global connectivity and provide access to best practice and knowledge worldwide, Grant Thornton is working on developing a global approach to industries and priority services.

GTIL enables member firms to access information on relevant industry expertise and credentials, insights on the latest industry trends and developments, share the latest industry-specific value propositions and methodologies.

In 2019, our focus on financial services led to the establishment of a financial services global steering committee and the first global financial services conference in Athens with 80+ delegates from 32 countries. Following the pilot industry, we appointed another six global industry heads and plan on launching an eighth strategic industry and priority sector.





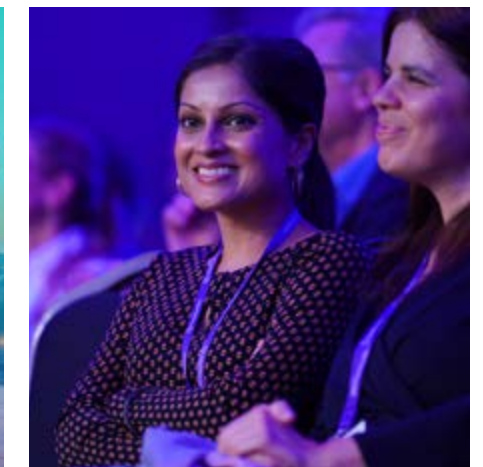
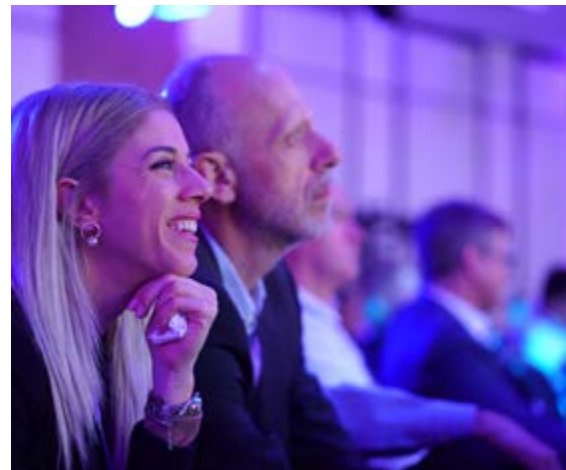
4. Efficient communication

To enable efficient communication and sharing of information between member firms, various platforms and tools have been set up:

Grant Thornton Connect is our new global communication, collaboration and information platform for the Grant Thornton network. Since October 2018, Grant Thornton Connect counted 12,000 unique visitors on the website. Today, a total of 55,000 users and 125+ member firms have access to the platform.

The annual global conference is a focal point in the year where leaders from our global network come together to meet, exchange ideas and move the business agenda forward.

In 2019, the Grant Thornton global conference was held in London and hosted more than 300 leaders from a record 95 countries in the network. The conference had a strong focus on sustainability, development of the brand strategy, and the process for developing a global strategy beyond 2020.



Encouraging innovation and technological development

“Technology and digital disruption are impacting our industry and clients. No one can escape it – it is the most comprehensive change to our business that we’ve ever seen and it’s going to be faster than it’s ever been.”

David Peneycad, global leader for operations and projects, GTIL

In 2018, the Board of Governors formed the Technology and Innovation Committee (TIC), so that innovation was elevated to a high level of importance in the network.

To respond to the threats and opportunities arising from technological disruption in the professional services industry, transformation of technology was identified as one of Grant Thornton’s six strategic drivers for growth in 2019.

The Innovation Council explores innovation on behalf of the Committee; the Technology Executive Group assesses the business case for technological changes. Both support the activity of the Committee.

Chaired by Global Chief Information Officer Dan Simpson, the Innovation Council is comprised of innovation directors from nine member firms.²¹ It was formed and first convened in February 2019, and is tasked with enabling the transformation of Grant Thornton into one of the most successful and innovative professional service firm networks in the world. The activity of the Innovation Council is focused on:

- Creating a digital innovation marketplace to improve the process of accessing, understanding, and deploying innovations and competencies available within the global network
- Promoting member firm solutions for innovation and technological development throughout the Grant Thornton network
- Sharing and collaborating on innovation activities.

In 2019, the Innovation Council developed an innovation maturity model that shows the scale of maturity of the innovation – from prototype to global market exposure. It allows every member firm to better understand the state of their innovative product, service, process or idea and how it can be made available to others.

The model is built into the Innovation Exchange Platform, cataloguing ideas and innovation projects from around the network.

The platform is intended to increase visibility of the projects, encourage collaboration between firms, help firms bring innovative solutions to clients and transform our internal processes. By the end of 2019, the platform collected 23 projects from 14 member firms.

²¹ Member firms that are currently part of the Innovation Council: Grant Thornton UK, Grant Thornton India, Grant Thornton Poland, Grant Thornton Germany, Grant Thornton US, Raymond Chabot Grant Thornton (Canada), Grant Thornton France, Grant Thornton Spain, Grant Thornton Ireland.



Contributing to the United Nations Sustainable Development Goals

Through our work in this area, we want to contribute to the achievement of SDG 9 and 17, with particular consideration of the following sub-targets:

- 9.B** Support domestic technology development, research and innovation in developing countries
- 9.5** Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending
- 17.7** Promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed
- 17.8** Fully operationalise the technology bank and science, technology and innovation capacity-building mechanism for least developed countries by 2017 and enhance the use of enabling technology, in particular information and communications technology

This is an extract from the UN SDGs and their sub-targets. For further information, see <https://sustainabledevelopment.un.org/>



Developing an innovative solution for supply chain traceability

With both businesses and consumers equally focused on sustainability and accountability, leveraging technology to optimise and control the supply chain has become a pressing priority.

To address this need, Grant Thornton India developed a smart solution for supply chain traceability that keeps supply chain partners completely up-to-date with all products passing through the supply chain. This allows products to be tracked back to their source at any time, allowing them to easily identify related materials.

The solution increases transparency by allowing each party in the supply chain to access information about the products, protects brand reputation by avoiding counterfeiting, allows rapid traceability analysis in crisis situations, and facilitates more effective audits by having full information at hand.

Together with Grant Thornton UK, Grant Thornton India is now working on taking the solution to market in the near future.

Grant Thornton India developed a smart solution for supply chain traceability that keeps supply chain partners completely up-to-date with all products passing through the supply chain.



Making São Paulo a more sustainable city through technological innovation

In 2018, Grant Thornton Brazil launched an initiative called 'Get There' – a center of innovation focused on creating new services, increasing innovation, developing strategic partnerships and engaging with important stakeholders.

One of its main programmes was the 'Cleantech Movement', focused on facilitating interaction between large corporations and startups that develop solutions for achieving the UN Sustainable Development Goals. Thanks to this project, Grant Thornton Brazil was invited by the municipal secretariat for economic development of São Paulo, to develop a new programme called 'Green Sampa'.

The city of São Paulo sought to bring together the main stakeholders related to green and sustainable technology on an online platform designed by Grant Thornton Brazil. 'Green Sampa' helps to advance sustainable solutions that will be prototyped in São Paulo – one of the largest cities in the world – to make it smarter and more sustainable.

Grant Thornton Brazil recognises this as a significant opportunity to strengthen their strategic positioning within the startup community and provide opportunities across all of the firm's service lines and the community of São Paulo.

One of its main programmes was the 'Cleantech Movement', focused on facilitating interaction between large corporations and startups that develop solutions for achieving the UN Sustainable Development Goals.

In 2020, we anticipate that this innovation infrastructure will harness the expertise of the network and proceed to trigger innovations.

However, according to Dave Peneycad, GTIL's chief operating officer, "GTIL can't solve the technology issues for the network – it has to be a collective approach."

To succeed in this innovation challenge, we will focus on and encourage cultural transformation among member firms.

In order to locate, distinguish and cherish innovative leaders among member firms, we launched an innovation award for the firm, team or individual who has developed the most innovative products, services or ways of working, aimed at improving our ability to meet client needs.

With more than 22 different entries, it is evident that innovation is a key priority for member firms and a topic of high interest.

“Many businesses have tried to set up innovation councils, innovation departments or appoint heads of innovation, and many have failed. That’s because these approaches are isolated from the business and, more importantly, from the people who work in it. Innovation is something everyone needs to play a part in and is something everyone needs to feel responsible for.”

Kim Schmidt, global leader for leadership, people and culture, GTIL



Kim Schmidt
Global leader for leadership, people and culture, GTIL



Developing a culture of innovation

GTIL recognises and supports member firms in finding their individual journey towards developing an internal culture of innovation.

“Innovation is about constantly challenging the status quo. That means being curious, understanding the market, listening to our clients’ business challenges, and looking ahead for opportunities and potential disrupters. We’re building solutions that make our clients more competitive, nimble and compliant. And we’re doing the same for our own business at Grant Thornton.”

Kevin Baril, national managing principal innovation, Grant Thornton US





Encouraging innovation in Grant Thornton Spain

Grant Thornton Spain's IT Consulting & Innovation department has been focusing most of their efforts on providing clients with innovative solutions to address their daily issues from a technical, legal and strategic point of view.

They organised workshops, ideation sessions and training to provide employees and clients with updated information related to artificial intelligence, big data, blockchain and cybersecurity.

Most of their innovative projects are the result of these training sessions which have allowed clients to understand the potential benefit in providing innovative solutions. "Niuron" (the first financial blockchain consortium in Spain) and its homologous in insurance sector "Tirea", were founded by Grant Thornton Spain and are just two examples of projects that have been developed from these efforts.

The firm also applies specific methodologies that allow staff to think outside the box when designing solutions for clients. Their employees are always encouraged to take part in projects that belong to different areas of the company in order to absorb knowledge as well as contribute their expertise.

A soft hierarchical structure also allows employees to express their opinions and new ideas. Results are more than evident: the Innovation department has tripled its size since its foundation in 2015.

“We organised workshops, ideation sessions and training to provide our employees and clients with updated information related to artificial intelligence, big data, blockchain and cybersecurity.”

Luis Pastor, head of business consulting and innovation, Grant Thornton Spain



Grant Thornton US embracing new innovations

Innovation is one of the most talked-about terms in business while simultaneously being one of the most misunderstood.

In 2018, Grant Thornton US and Fast Company announced a year-long media partnership and content series exploring the meaning of innovation and technology, as well as the opportunities and challenges that each pose to organisations.

The partnership reviewed a variety of topics such as corporate culture wars, the evolution of smart cities, data privacy and digital trust, as well as keys ways to measure innovation. The content series was featured in online articles, videos, executive interviews, live programming and panel discussions throughout the year, spreading awareness around the theme of innovation, what it means for businesses today and how they can best leverage it for their own benefit.

“Innovation is one of the most talked-about terms in business while simultaneously being one of the most misunderstood.

Kevin Baril, national managing principal: innovation, Grant Thornton US



Creating the framework for innovation in Grant Thornton France

Grant Thornton France came to the realisation that they needed to change their management approach to be able to strive and thrive in the volatility, uncertainty, complexity and agility (VUCA) environment.

To embrace the changes and opportunities that come with it, they defined five focal points that need to be addressed to create a framework for innovation: culture of innovation, data management, knowledge sharing platforms, agile project management, and centralised and rationalised approach.

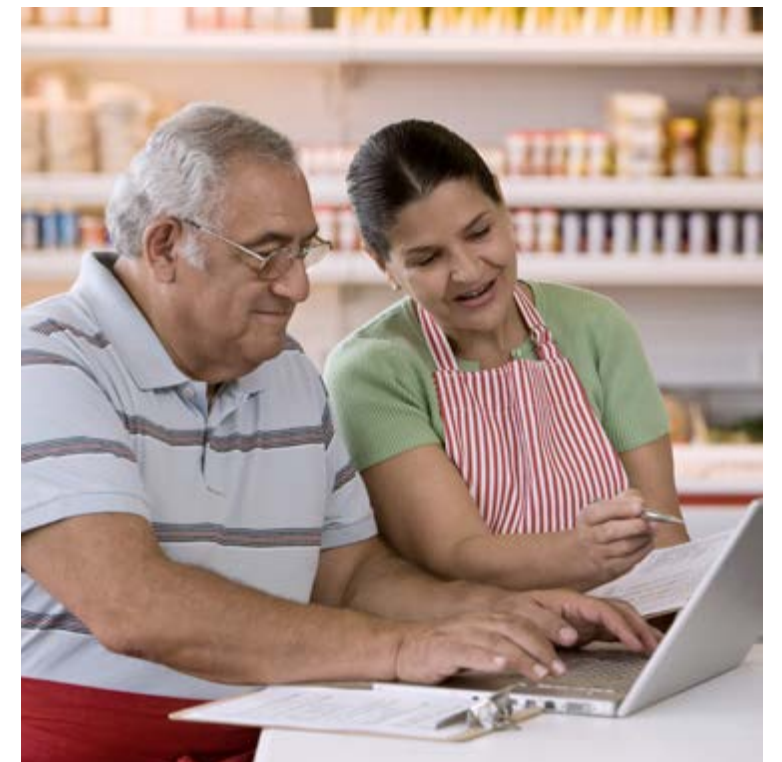
Alexandre Ozararat, partner and head of innovations at Grant Thornton France considers these to be essential for laying the groundwork for driving future innovation.

In 2017, Grant Thornton France also established the innovation lab (I-lab), with the mission to create an innovation roadmap and strengthen the innovation culture inside the firm. To achieve this, they organised frequent meetings within the growing innovation community to take employees out of their silos, connect them and create a space to share their expertise and complement their ideas.

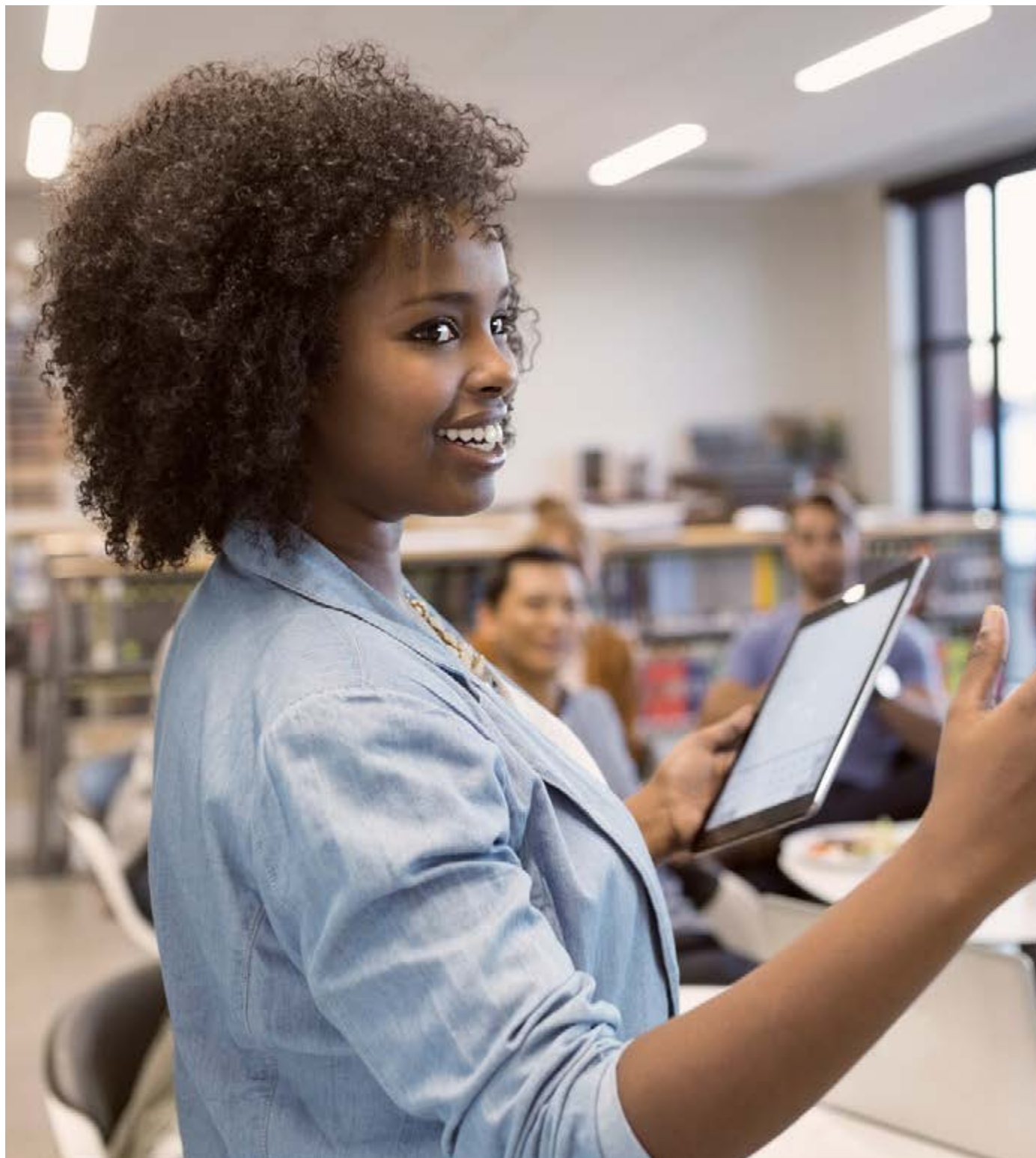
In 2019, Grant Thornton France's new CEO, Robert Dambo, announced innovation as one of the four fundamental pillars of the firm's new strategy, and strengthened the innovation team with a progress unit. This unit will help to manage innovation investments and measure creation of future value throughout the firm, not only the core business practices.

Grant Thornton France has joined the Innovation Council to continue their efforts of building framework for innovation in cooperation with other member firms.

Grant Thornton France came to the realisation that they needed to change their management approach to be able to strive and thrive in the volatility, uncertainty, complexity and agility (VUCA) environment.



**Our impact on
communities and
wider society**



Being one of the world's largest professional services networks, we have a considerable impact on the communities where we operate and wider society.

By fostering responsible business practices among clients and being active participants in local communities, we want to contribute to sustainable growth and development. By providing services within the fields of audit, tax and advisory, we want to satisfy the needs of stakeholders who depend on receiving accurate and trustworthy information. By being responsible advisors, we also want to contribute to the development of regulatory frameworks, combat corruption, bribery and money laundering, and support the effectiveness of tax systems.

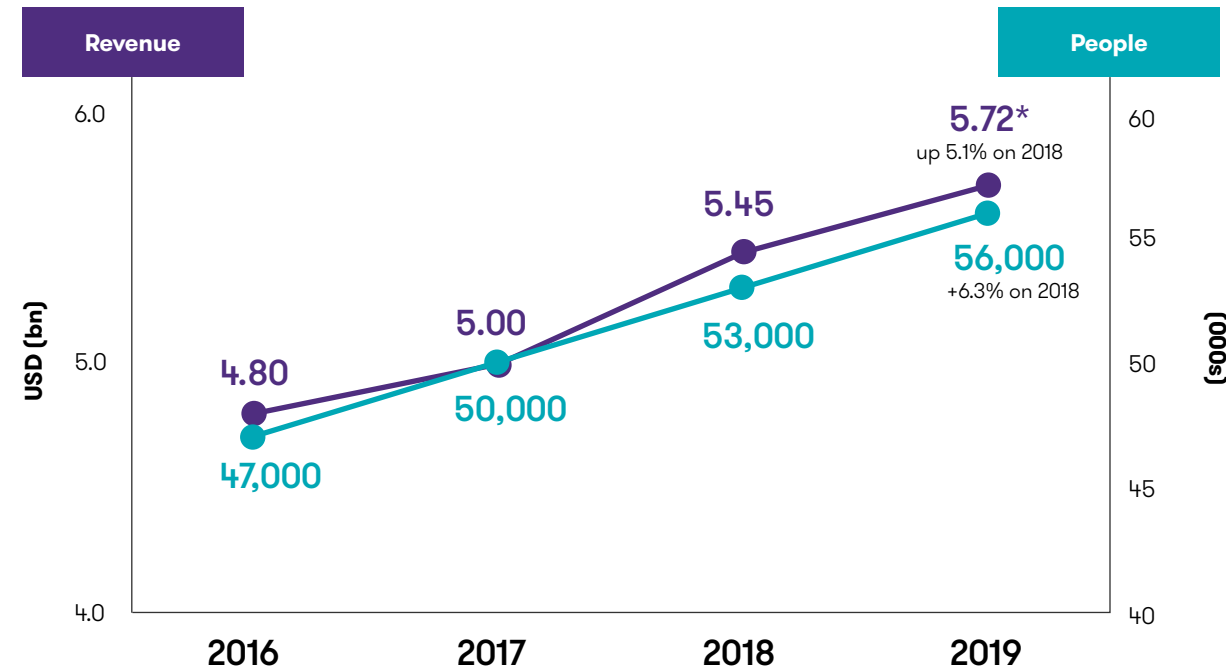
Understanding the vast social and economic impact we have on communities and the wider society, we are committed to developing the network to create value on behalf of all Grant Thornton stakeholders.

Creating economic value through network growth

As a global network, Grant Thornton has a significant economic impact. By growing responsibly, we contribute to creating economic value in relevant markets and communities across the world. 750+ offices, up by 1.5% than last year, are located in more than 140 countries, which include 13 of the world's least developed countries according to UN classification.

We create direct economic impact through taxation, procurement and employment opportunities as well as indirect economic impact by encouraging innovation and technological development, by supporting communities and the growing businesses of member firms' clients.

For the financial year ended 30 September 2019, our global revenues constituted USD5.72 billion, up 5.1% on 2018. This result represents growth of 6.4% in constant currency terms²². Additionally, the number of people in the network grew by 6.3%, reaching a headcount of 56,028.

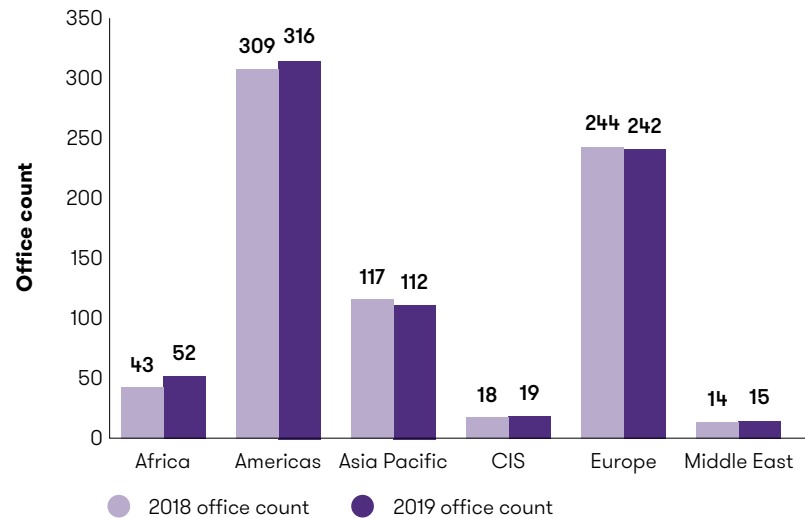


*This result represents growth of 6.4% on revenues of USD5.80bn in constant currency terms.

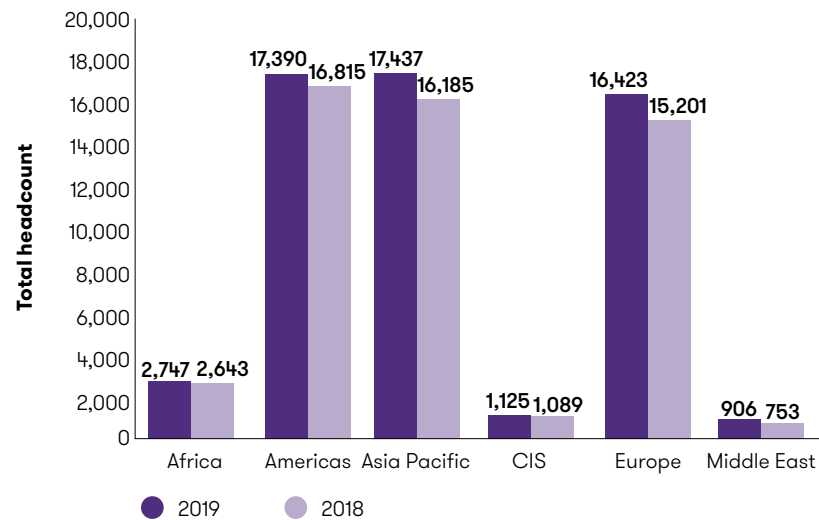
Region	% Change 2019 vs 2018
Africa	-28.8%
Americas	5.0%
Asia Pacific	10.9%
CIS	6.3%
Europe	4.7%
Middle East	32.3%
Total revenue	5.1%

²² Constant currency refers to figures that remove the effects of exchange rate fluctuations by using the same exchange for the 2019 year-end as was used for the 2018 year-end results. This provides a more accurate view of the economic reality in each of the markets in which our member firms operate. Figures in the body of the release are in constant currency terms unless otherwise stated.

Number of offices by region



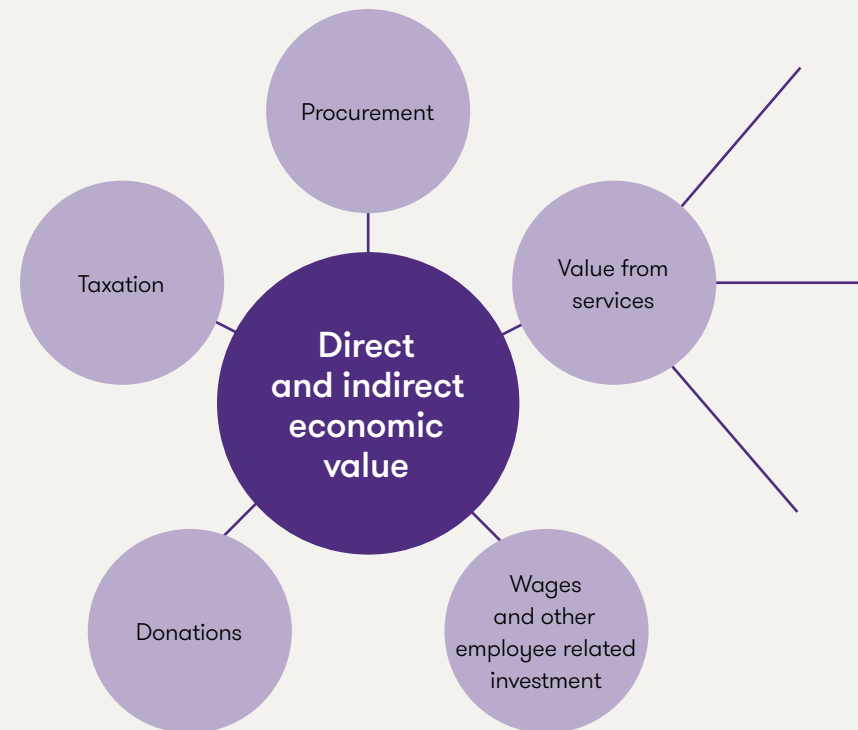
Number of employees by region



Having identified 13 strategic growth markets across the world, we now focus growth in areas where we believe we can have the most beneficial impact for clients and our network. For more on this, see also [Facilitating sustainable growth for our clients \(page 21\)](#).

In 2019, GTIL began the process of assessing the network's economic impact by highlighting the areas of value creation. We developed an approach which studied five areas which were defined according to the group of impacted stakeholders: suppliers, governments, communities, employees and clients.

In the future we will investigate economic impact further, as well as the factors that create economic value.



Supporting well-functioning markets and promoting efficient standards and regulation

Well-functioning markets safeguard the efficiency, development and productivity of the economy, increase the efficiency of financial intermediation and reduce the likelihood of financial crises.

Confidence diminishes if there is uncertainty in the integrity of information or in the processes that creating that information. Audit and assurance play a crucial part in supporting trust and integrity in financial markets, against a backdrop of decreasing public trust in the information provided by businesses.

As a network with thousands of professional accountants, member firms can support trust and integrity in markets by assuring clients' financial and non-financial information. By assessing internal controls and reporting procedures, Grant Thornton professionals seek to ascertain the validity and reliability of the information provided, and therefore address the public issue of lack of trust.



Contributing to the United Nations Sustainable Development Goals

Through our work in this area, we want to contribute to the achievement of **SDG 10, 16, 17** with particular consideration of the following sub-targets:

- 10.5 Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of such regulations
- 10.6 Ensure enhanced representation and voice for developing countries in decision-making in global international economic and financial institutions in order to deliver more effective, credible, accountable and legitimate institutions
- 16.4 By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organised crime
- 16.5 Substantially reduce corruption and bribery in all their forms
- 16.6 Develop effective, accountable and transparent institutions at all levels
- 16.8 Broaden and strengthen the participation of developing countries in the institutions of global governance
- 16.B Promote and enforce non-discriminatory laws and policies for sustainable development
- 17.1 Strengthen domestic resource mobilisation, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection

This is an extract from the UN SDGs and their sub-targets. For further information, see <https://sustainabledevelopment.un.org/>

Tax: underpinning stability, trust and integrity in markets

Tax systems are critical for financing public and social infrastructure. Member firms' tax professionals seek to contribute to the effectiveness of tax systems globally by assisting in tax compliance and tax planning. Clients often have a choice on how to structure the activities that impact their tax burden and distribution of financial flows by region. By providing strategic advice, member firms help their clients understand the large-scale impacts of their tax strategies on all stakeholders.

Member firms' tax compliance services entail advising and educating clients about their legal tax obligations and the prompt and transparent manner in which to fulfil them.

Member firms counsel their clients on tax efficient alternatives that stay within the boundaries and ethics of acceptable tax mitigation according to region, culture and legislation. Furthermore, they help clients to discover accessible tax reliefs, credits and incentives that are ultimately used by governments to meet tax policy objectives, stimulate areas of priority and endorse economic growth.

The advisory services provided help underpin stability, trust and integrity in markets. Through this work, services broaden the opportunities available to individuals, communities, investors and governments.

These services support organisations in the creation, protection and transformation of value. Through member firms' professional advice, organisations can effectively adopt new regulations, deploy resilient risk management processes and cultures, deliver improved efficiency, and generate stronger returns.

In turn, these services support investment and access of capital to drive long term sustainable value growth. Grant Thornton professionals also encourage organisations to release underperforming assets that can be better utilised by different owners, whilst recovering assets that have been misappropriated and reinforcing market confidence over asset security.





Ensuring public trust in sustainability practices

In a financial context, companies are usually required to publish annual reports that contain audited financial statements, helping shareholders and other interested parties to hold directors accountable.

Recently, the same concerns have arisen regarding the reliability of non-financial information as corporate reporting on sustainability, employment practices and governance issues are increasing. Responding to the changing demands of the market, an increasing number of Grant Thornton member firms are providing audit and assurance of non-financial information and sustainability reports.

Spendrups Brewery is a family business in Sweden, founded in 1897. Today it is one of the largest brewery and beverage groups in the country, with a strong focus on sustainability for long-term success.

Having produced annual sustainability reports for several years, they asked Grant Thornton Sweden to conduct an external quality assurance of their non-financial reporting. Considering the alcohol industry is under particular scrutiny when it comes to responsible drinking and ethical considerations, the reliability and completeness of their sustainability information was of great importance.

Together with the brewery, Grant Thornton Sweden was able to both audit the sustainability report and advise the head of sustainability on how to improve internal processes to produce high quality of information and contribute to a more sustainable world.

“Conducting an external quality assurance of the sustainability report provides security for both the company and those who use the information.”

Markus Håkansson, head of sustainability business advisory, Grant Thornton Sweden



Assessing sustainable growth

A public services advisory practice seeks to support the development and implementation of successful projects and programmes that help enable sustainable growth and support well-functioning markets.

That's why Grant Thornton UK created the Sustainable Growth Index to define and measure the components that create places where people and businesses can flourish. It extends beyond the traditional economic measures of success to provide a framework for a broader assessment of sustainable growth across the country.

The index includes components relating to:



Prosperity

Does the local area produce wealth and create jobs?



Dynamism and opportunity

Is the area entrepreneurial and innovative, does it have the skills set necessary to drive future growth?



Inclusion and equality

Is everyone benefiting from economic growth? Is the gap between richest and poorest narrowing?



Health, wellbeing and happiness

Are people healthy and active, leading fulfilling lives, which provide individual prospects?



Resilience and sustainability

Is the economy having a neutral impact on the natural environment and is the built environment creating resilient places that people want to live in?



Community trust and belonging

Is there a lively and creative culture? Do people feel safe and engage in community activities?

Promoting efficient standards and regulation

As part of Grant Thornton's commitment to supporting well-functioning markets, we are actively engaged in shaping public policy and regulatory environments by working with domestic, regional and global regulators as well as professional bodies. Collectively, we are able to improve regulatory standards and best practice in many areas by maintaining an open and constructive dialogue with regulators.

GTIL meets annually with the International Forum of Independent Audit Regulators (IFIAR) which aims to enhance audit oversight globally, and to report on progress in developing and maintaining audit quality.

IFIAR is comprised of independent audit regulators from 55 jurisdictions representing Africa, North America, South America, Asia, Oceania and Europe²³.

Grant Thornton experts are present in the multiple boards and committees that support well-functioning markets and efficient regulation. For instance, Jay Shaw, partner at Grant Thornton New Zealand, is a member of the International Valuation Standards Board, which acts as the global standard setter for the valuation profession, serving the public interest.

Warren Stippich, who is the national managing partner quality and risk for advisory services for Grant Thornton US, sits on the Board of trustees of the Institute of Internal Auditors "Research Foundation". The body provides internal audit professionals and their stakeholders with insight on emerging topics, relevant research, and pertinent materials that promote and advance the value of the internal audit profession globally.

We also actively contribute to the development of the International Financial Reporting Standards (IFRS).

In recent years, GTIL submitted global comment letters on International Accounting Standards Board (IASB) proposals for new and amended standards. We respond to IASB outreach requests on a wide variety of evolving accounting topics, and our professionals participated in relevant expert discussions.

Not only this, Grant Thornton also contribute to developing, implementing and promoting adherence to internationally recognised standards for securities regulation through our participation in International Organization of Securities Commission (IOSCO) and the European Securities and Markets Authority.

In 2019, Grant Thornton was represented on the IFRS Advisory Council, the IASB's Transition Resource Group for Revenue Recognition, the IFRS for SMEs Implementation Group, the Global Public Policy Committee, Auditing Standards Taskforce of the American Institute of Certified Public Accountants and many others.



²³ For more information on our engagement with IFIAR, please refer to Grant Thornton Global Transparency Report 2019



Breaking down barriers through better reporting

The International Integrated Reporting Council (IIRC) is a global coalition of regulators, investors, businesses, NGOs and other stakeholders founded in 2010 with the aim of creating a globally accepted integrated reporting framework.

The IIRC believes that the next step in the evolution of corporate reporting should to break down internal silos between financial and non-financial data.

The Integrated Reporting Framework intends to equip providers of financial capital with information about value created by a company for all stakeholders and the capitals used by the business to create this value over time. The framework improves the quality of information available to providers of financial capital to enable a more efficient and productive allocation of funds.

GTIL works with the IIRC via Sue Almond, global head of assurance, who sits on the council, as well as by participating in technical groups leading thoughts on principles and concepts of the Integrated Reporting Framework.

The IIRC believes that the next step in the evolution of corporate reporting should to break down internal silos between financial and non-financial data.



Tax law: enhancing multilateral commerce

Grant Thornton supports tax law development on a global and regional level to support the modernisation of international tax rules. We invest significant resource into the consultation processes with tax authorities across the various jurisdictions which we operate so that tax laws support the achievement of tax policy objectives, are fair, unambiguous, and do not create undue burdens on organisations.

In 2019 GTIL, with assistance from Grant Thornton UK, Grant Thornton Canada and Grant Thornton US, provided thought leadership to the OECD's Centre for Tax Policy and Administration, addressing the tax challenges of the digitalisation of the economy.

We firmly believe that the ability to identify and grant taxing rights on a consistent basis is a key element of a stable global economy. Unilateral initiatives add complexity and uncertainty to an already complex and uncertain tax environment for existing multinational enterprises (MNEs).

Additionally, it can impede the ability of start-ups or future MNEs to successfully navigate the digital tax landscape and, as a result, their ability to compete on a level playing field. Bearing this in mind, we provided feedback on the proposed revision of profit and loss allocations and nexus rules. We hope that our analysis and proposals will contribute to the common goal of enhancing multilateral commerce by providing MNEs with clear legislation.

“We firmly believe that the ability to identify and grant taxing rights on a consistent basis is a key element of a stable global economy.”

Dan Power, head of tax, GTIL

Developing sustainability advisory

We strongly believe that the sustainability agenda is crucial for the future of clients as well as our relationships with them.

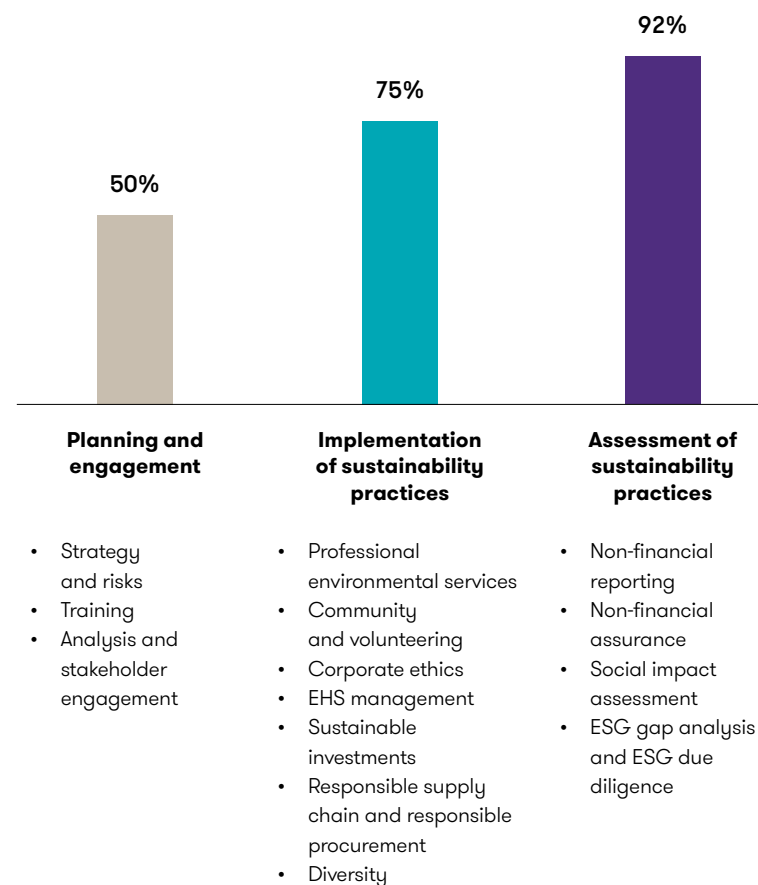
Changes in climate and in social expectations of businesses are creating a new environment. Businesses need a service that will help them adapt and seize opportunities that this new world provides. Grant Thornton recognises its role in developing responsible business practices amongst the network’s clients, increasing the accumulative impact of our network. It also represents a new opportunity for the Grant Thornton network to grow and realise positive impact, by developing our business lines.

Within the Grant Thornton network, 14 member firms are building expertise and providing sustainability services to their clients, some having more than 10 years of experience and others just starting exploration into this field²⁴.

Together, Grant Thornton member firms across the world are able to deliver a full range of services to help our clients become sustainable organisations. This includes planning of corporate responsibility and stakeholder engagement, conducting materiality analyses, preparing sustainability reports, updating policies and processes, developing sustainability strategies and integrating sustainability into the core of our clients’ businesses.

Our broad range of sustainability services reaches into and contributes to more than 15 business industries. Although we work with clients from various sectors, we engage with the energy and financial sectors the most – more than half of the member firms that provide sustainability services indicated these sectors represent the majority of their clients.

Prevalence of services provided by member firms with a sustainability practice



²⁴ According to the sustainability services survey run in 2019 among member firms. The remaining data in this chapter is also based on the results of this survey.



Contributing to the United Nations Sustainable Development Goals

Through our work in this area, we want to contribute to the achievement of SDGs 4,12 with particular consideration of the following sub-targets:

- 4.7** By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture’s contribution to sustainable development
- 12.6** Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle
- 12.7** Promote public procurement practices that are sustainable, in accordance with national policies and priorities
- 12.8** By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

This is an extract from the UN SDGs and their sub-targets. For further information, see <https://sustainabledevelopment.un.org/>



Photo credit: Shlomi Yosef

Making Eurovision Song Contest 2019 a sustainable event

Eurovision is an annual international song competition that is watched around the world with audiences ranging from 100 million to 600 million. In 2019, Tel Aviv was chosen to be a hosting city, and the local municipality had a vision to make this event sustainable.

The sustainability advisory team of Grant Thornton Israel became a part of the advisory team and assisted Tel Aviv Municipality in their endeavour to organise this event based on the international requirements for green events. The project team was responsible for the whole process – from planning and defining the material sustainability impacts of the event, to implementing sustainable solutions with regards to food, transportation, packaging, waste and more.

The challenge was to organise the event in a short time while also creating a foundation for hosting future green events in the city.

By collaborating closely, Grant Thornton Israel helped Tel Aviv Municipality to define the material impacts, implement sustainable solutions and analyse the legacies of the event. Grant Thornton Israel produced the sustainability report, that captured the whole process of the preparation of the green event and can be used to promote the case on a global scale.

“

Sustainability is global by nature, it recognises neither geographical nor political borders: pollution from one country may affect the other. Especially today with global supply chain, an activity of a small entity may impact the global world. Therefore, our clients should benefit from the inherent advantage of global and experienced sustainability advisory.

Ivri Verbin, CEO Good Vision, sustainability advisory partner, Grant Thornton Israel



Helping organisations understand and improve their social impact

Organisations can achieve bigger positive change if they obtain and learn from impact data. That is why Sinzer, the newly acquired sustainability services team of Grant Thornton Netherlands, assists their clients with a pragmatic and tailor-made impact management approach based on the impact maturity model. The model distinguishes three growth phases for each of the following impact management elements: impact strategy, impact framework, data collection, analysis and reporting, impact maximisation.

In 2019, Sinzer completed a national level impact study commissioned by the Dutch Cancer Society, in which it evaluated the added value of walk-in psychosocial support facilities for cancer patients and their families. The evaluation was conducted from a multi-stakeholder perspective, and as such also provided insight into the added value of the facilities for local governments, health insurers and healthcare professionals.

It showed that the facilities do not only improve the quality of life of cancer patients and their families, but could also lead to less use of mental health care and social support services. The report received significant attention in local media, which resulted in several local governments reaching out to existing facilities to discuss further cooperation. At the same time, the facilities (of which there are around 80 in the country and are all managed individually) had a strong case to request additional funding from municipalities and health insurers. Several requests have already been granted so far. The sector association used recommendations from the report to revise some of their quality guidelines for the walk-in facilities, in order to further improve their impact. This is just one out of many cases, that illustrates the added value of impact services to our clients.

“Having worked with a wide variety of clients on all aspects of sustainability consulting, we recognise impact assessment and reporting as a pivotal issue for many. Being able to quantify impact can change the conversation with stakeholders.

Emma Verheijke, partner Sinzer BV – Powered by Grant Thornton Netherlands

Building the business case for sustainability services

By internally developing, referring and promoting its sustainability services, Grant Thornton brings a greater value proposition to the table for clients and creates substantial business possibilities for itself. For one of the European member firms, sustainability consultancy produced 15% of the firm's advisory revenue, while the average revenue of sustainability services in the network reached 5.2% of advisory revenue. Within the past year, several new firms joined the sustainability services market and predict equally promising projections. Furthermore, sustainability services encourage network-wide collaboration, as 46% of our sustainability survey respondents reported to working with other Grant Thornton firms to perform sustainability services.

Sustainability services can be used as a door to new clients and markets, as well as a tool to deepen the relationship with existing clients. The sustainability services survey showed that there is no predominant marketing strategy among the member firms that provide sustainability services. Projects are gained from both cross-selling and direct client wins.

There is a consensus among member firms that cooperation of the providers of the sustainability services, facilitated by GTIL, along with enhanced training, shared references and credentials, would help them in developing their sustainability offers.

To support joint sales and business development, GTIL initiated a sustainability services Centre of Excellence at the end of 2019. This will serve as a communication and cooperation platform for both member firms with existing sustainability services and those that want to develop this practice.



Growing together in our communities

Our global strategy of Growing Together 2020 extends its reach not only to Grant Thornton people and clients, but also to the communities, where we work and live. The community practice gives employees the possibility to contribute to a bigger cause, raises their motivation, showing purpose and a value in their knowledge and skills.

Understanding the importance of creating value for all stakeholders, GTIL has decided to develop an impact strategy that has become one of our key projects in shaping the community practices within the network.

GTIL emphasises the intrinsic value of community projects and encourages member firms to undertake those that focus on skills-based volunteering and long-term partnerships. Our annual initiative, “Growing Together in the Community,” focuses the attention of the global network on local approaches for creating value for the communities and promotes practices of community engagement.

Member firms in the Grant Thornton network have performed a wide range of different community projects for a greater cause in recent years. During the Growing Together days in September 2018, 11,484 people from 42 member firms across the network participated in community projects, impacting the lives of 286,881 people. In 2019, the number of member firms who participated in the Growing Together days increased to 50 member firms across the world. The cause and design of each project was determined by each individual member firm according to local needs and priorities.

To acknowledge innovative and effective social responsibility efforts made for the community by a member firm or a team of employees, GTIL established the Community Leader category in the GTX Awards. We received a total of nine entries in 2019, and given that the category is new, we trust this number will grow as we continue to build the momentum for cooperation and sharing best practices on a global scale.



by nearly **11,500 people**
from **42 firms** participated in
GT in the Community



Contributing to the United Nations Sustainable Development Goals

Through our work in this area, we want to contribute to the achievement of **SDG 4, 12, 13 and 17**, with particular consideration of the following sub-targets:

- 4.3** Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university
- 12.8** By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature
- 13.1** Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters
- 13.3** Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning
- 17.3** Mobilise additional financial resources for developing countries from multiple sources
- 17.16** Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilise and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries.
- 17.17** Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships

Case studies



Rosie Quinn, our first Purple Paladin.

Building NGO capacities in USA

Grant Thornton US places great effort into building the capacity of NGOs by using its professional knowledge and skills. Its employees share their expertise and leadership abilities through non-profit Board service, and currently serve on nearly 900 non-profit boards and committees. Recently the firm launched a new programme, the Purple Paladin that supports innovators and emerging NGOs with noble ambitions. They join and accelerate their cause by providing volunteers, funding, advice and platforms.

The first Purple Paladin was “Coming Up Rosie,” a special organisation founded by Rosie Quinn and her mother. Rosie is an eight-year-old girl who was diagnosed with alopecia, an autoimmune disease that causes baldness.

When Rosie began wearing head scarfs that were decorated with her paintings, strangers began to focus on her artwork and not on her hair loss. This inspired Coming Up Rosie, which donates art supplies to children’s hospitals throughout the US, enabling other children with alopecia to create their own head scarfs and superhero capes.

This not only provides the children with a creative outlet, but also an opportunity to wear their masterpieces and feel confident with whatever challenges they may face.



Restoring marine life in Thailand

Thailand and Singapore Grant Thornton member firms joined forces to plant over 10,000 mangrove seedlings in Phetchaburi, Thailand. The health of local marine life and the delicate balance of the coastal ecosystem depends on the mangroves. The two firm’s efforts will go a long way in helping the restoration of these crucial habitats.

Case studies



Raising funds and awareness for those in need of a second chance in Australia

Every year Whitelion hosts an annual Whitelion Bailout to give everyday people the chance to step into the shoes of the disadvantaged population of Australia. Grant Thornton Foundation in Australia has supported the Whitelion Bailout for three years and contributes to their wider community projects, which have created opportunities for young people who deserve a second chance in the community.

“Few of us have had exposure to the inside of a prison, if any at all. Stripped of our belongings and dressed in jumpsuits, the Bailout began.

“We copped insulting comments from prison guards, had mugshots taken and felt our noses press up against cold brick walls. However, the most sobering moments occurred in between all of the prison mayhem. We listened to true stories from ex-prisoners who had been shunned from society, estranged from their friends and family members and consistently refused employment upon release.

“Unlike many prisoners across Australia, we retained our basic human rights. At the end of the experience, we received food and drinks and the luxury of becoming respected members of society again. It is impossible for most of us to comprehend what young prisoners endure on a day-to-day basis, and how these experiences shape the rest of their lives.” Sophie Wallis, senior associate, Grant Thornton Australia.

Skills-based volunteering in Cayman Islands

Our two offices in Grand Cayman took part in skills-based volunteering, coming together to design a series of life skills workshops to be presented in local secondary schools. Topics ranged from money management skills, to CV writing tips, with employees translating real-life experience and expertise, into tangible sessions for the benefit of the students.



Similar to the variety of causes that member firms align themselves with in the community, there is a range of organisational forms and management approaches to community practices.



The foundations of Grant Thornton

Grant Thornton member firms in Canada, the Philippines and Australia have established Grant Thornton Foundations – the ultimate level and form of organising funds and ventures intended for community projects.

They were founded in an effort to build a more formal approach for supporting social purposes, engaging employees and building long-lasting relationships with NGOs. The oldest foundation was founded in 2003 in the Philippines with the foundations in Canada and Australia, founded in 2011 and 2014 respectively.

Although these foundations were established independently of each other and have different priorities, each uses similar fundraising methods: voluntary salary contributions, hosting of fundraisers, and fund matching by the partners. Additionally, the Canada Foundation runs annual national campaigns, raising awareness and funds outside of the Grant Thornton family.

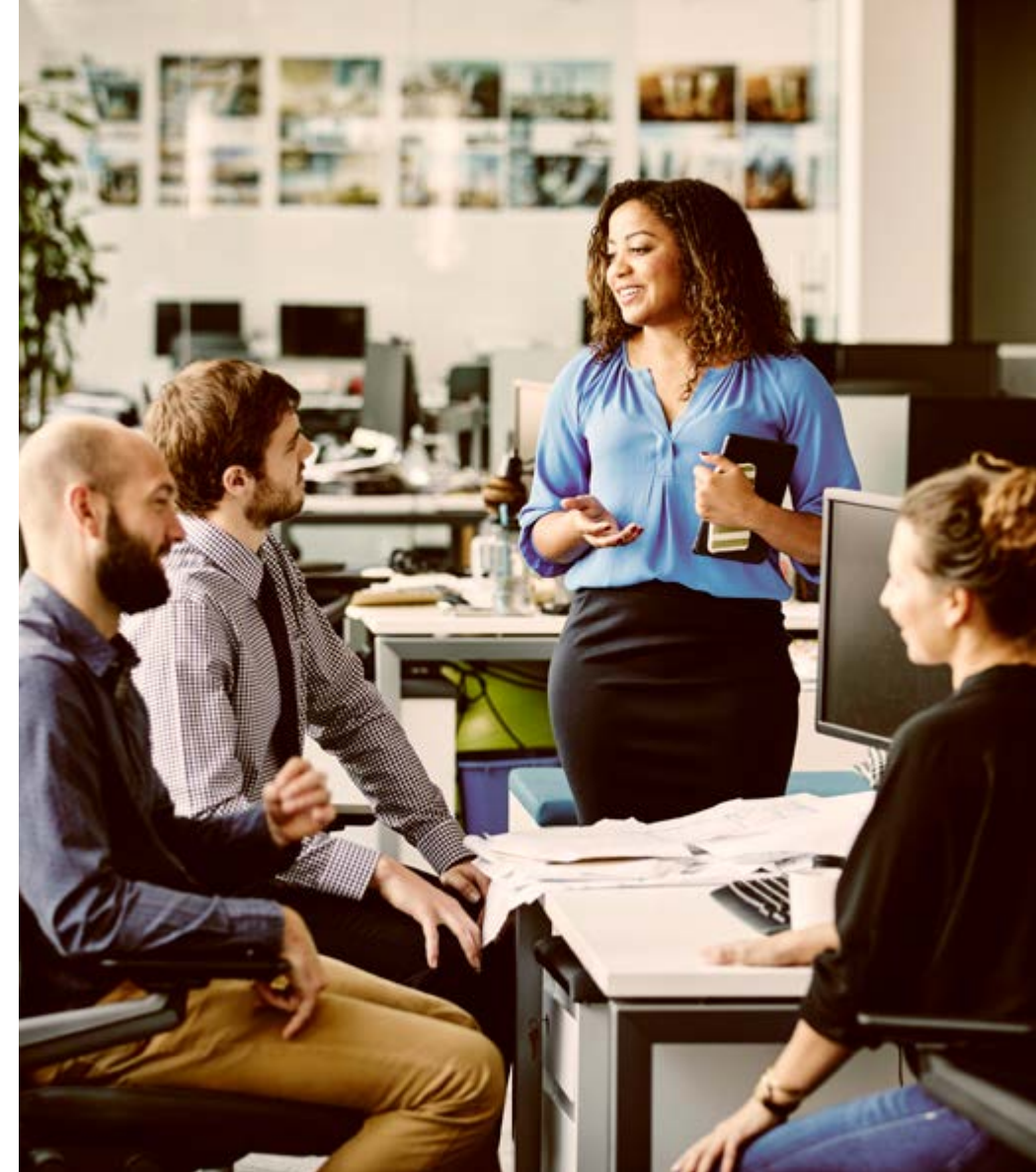
A number of member firms, such as Grant Thornton Sweden and Grant Thornton Ireland took a systematic approach and integrated corporate responsibility into their main business activities and strategy. In this case, community projects became part in the overall plan of coordinated actions focused on generating and maximising value for various stakeholders.

The majority of member firms organise their community practices, building community projects around certain focus areas or reacting on a cause they consider important at the moment. The corporate responsibility practices survey conducted in 2019 among 66 member firms showed that half of the respondents have CSR policies which state their commitment to corporate responsibility, but only a quarter of the respondents had processes in place to evaluate and measure the impact of their community projects.

GTIL recognises the need to integrate corporate responsibility into the global strategy and sees this report as a useful vehicle to discuss options with network colleagues, as well as a need to coordinate the initiated process of re-shaping and re-focusing the corporate responsibility efforts of member firms.

In 2014, a CSR steering committee, comprised of CSR representatives from six member firms, met for the first time. Since the establishment of the committee, it has increased its activities and is composed of members from UK, US, Israel, Netherlands, Mexico, Ireland, India, South Africa, UAE, and Sweden.

The committee discusses the global CSR agenda with the aim to facilitate the integration of a formal corporate responsibility approach into the Grant Thornton network. “We strongly believe that we must emphasise coordination and cooperation with each other as a unified network to create tangible impacts within our communities,” Peter Bodin, CEO, GTIL.



“We strongly believe that we must emphasise coordination and cooperation with each other as a unified network to create tangible impacts within our communities.”

Peter Bodin, CEO, GTIL



Building corporate responsibility approach in Grant Thornton Ireland

“Grant Thornton Ireland realises the increasing importance of corporate responsibility standards (CSR) and is becoming more focused and strategic in its efforts,” according to Neal Taylor, head of CSR.

It is starting to become more common for corporations to require their suppliers to comply with CSR. Experiencing it in their own market, Grant Thornton Ireland decided to gain a “Business in the Community” mark, an independently audited standard for CSR and Sustainability in Ireland.

Following in the footsteps of Grant Thornton Sweden, Grant Thornton Ireland is working to tie the UN Sustainable Development Goals into their business strategy. The firm started with a baseline assessment by interviewing key personnel, analysing risks and opportunities in all operations to map out the work they need to do to improve. The member firm established a CSR committee which sets the annual CSR budget, provides quarterly reporting to the Managing Partner, ensures quarterly communications to the firm and coordinates all local CSR champions.

Next, Grant Thornton Ireland will develop formal CSR policies and investigate ways of assessing the impact of their CSR projects.

“Grant Thornton Ireland realises the increasing importance of corporate responsibility standards (CSR) and is becoming more focused and strategic in its efforts.

Neal Taylor, head of CSR, Grant Thornton Ireland



Looking forward

The process of developing our first Global Impact Review has been an investigative journey, where we have explored the impact of the Grant Thornton network around the world on society, environment and economy.

It has been an important first step towards establishing a common understanding of what we mean by sustainability within Grant Thornton, built around our global impact model. The process has helped us understand what data exists, and has highlighted many great stories and inspiring examples from our member firms. And critically, it has placed a spotlight on where the gaps and opportunities are.

As we were finalising this review in March 2020, the COVID-19 pandemic swept the world. Our focus immediately changed to address operational challenges, and we decided to postpone the internal launch of the review until June 2020. As the crisis has developed, we have been incredibly proud to see how Grant Thornton member firms around the world have responded. This has included helping our clients to develop their response plans, supporting our people through the disruption, as well as

significant volunteering in our local communities. Grant Thornton in every region has shown up to make a strong, positive contribution. Inside our organisation, the crisis has been a catalyst to think and act differently, most notably in how we communicate and engage as a global network in a completely virtual environment.

Going forward, we recognise that there will be some immediate challenges to progressing the sustainability agenda in our network. But we believe that the pandemic will bring even greater focus to environmental, social and governance issues, and will build momentum as we aim to help our clients, people and communities to positively shape tomorrow.



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