

IMPROVING THEMAYTHE WORLD WORKS AND LIVES

Corporate Citizenship Report 2018





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ON THE COVER

Every day, Accenture people turn technology into innovations designed to transform society at scale and in a responsible way. Accenture Digital Analyst Lucía Andrada Cámara is one of those innovators.

As part of the team that created XR4 Hospitality, an immersive virtual reality training tool, she is preparing aspiring hospitality workers in Madrid to succeed in an increasingly complex work environment.

"XR4 Hospitality will really prepare them to face the digital transformation that is taking place. It teaches them that technology is their ally, and it can help make their lives better," said Lucía.

Our innovators are bringing the world into "the New." The ideas they have, the innovations they create and the partnerships they develop have a ripple effect that changes the lives of millions for the better.

At left: Skills to Succeed interns in our Washington, DC locations work on projects ranging from developing mobile apps to assisting on our help desk, serving in client-facing roles...or even working on our corporate citizenship team.

OVERVIEW

A LETTER FROM **OUR LEADERS**

The post-digital era brings economic and social uncertainties. At the same time, the power of intelligent technologies is radically disrupting long-standing paradigms and eroding trust. We believe businesses must step up and positively impact society at a scale that makes a difference.

Corporate citizenship has always been fundamental to the way Accenture operates. Guided by our responsibility to our people, clients, communities and the environment, we use our understanding of technology and its impact to help create more-inclusive societies that offer more opportunities to more people.

This commitment is brought to life by our diverse collective of innovators who shape ideas into far-reaching solutions to complex societal challenges. Together we are working to improve the lives of millions, now and for the next generation.

Our 2018 Corporate Citizenship Report illustrates how we are:

Innovating For Society

- Skilling for the future: We committed more than US\$200 million over three years to help equip people around the world with job skills for the digital age.
- Closing employment gaps: Along with our strategic partners, we have equipped more than 2.8 million people with the skills to get a job or build a business through Skills to Succeed.
- Helping youth envision careers: Together with Save the Children, a Skills to Succeed partner, we developed and are testing BecaXR—an augmented and virtual reality tool that helps students and out-of-school youth in Vietnam visualize potential career paths.
- Improving senior citizens' lives: Our virtual homecare program, piloted in the United Kingdom, uses artificial intelligence (AI) to help older people manage their well-being. The program supports seniors in taking medication, completing daily exercises, accessing reading and learning materials—and can also spot abnormalities in behavior and alert family or friends.

Shaping Responsible Business

- Embracing diversity as a source of creativity and competitive differentiation: By the end of 2018, we grew our workforce to more than 42 percent women—up from 41 percent the prior year—toward our goal of a gender-balanced workforce by 2025.
- Addressing climate change: We set a science-based target, committing that by 2025, we will reduce our absolute greenhouse gas emissions by 11 percent from our 2016 base year. Accenture is the largest professional services company to make this type of commitment.
- Transforming our supply chain approach: We are going beyond responsible buying, embracing an overarching philosophy we call Procurement Plus—we work with suppliers to advance key priorities, including sustainability, diversity, human rights and innovation.
- Helping organizations root out ethical problems: We have established an AI-specific code of ethics and business values, and have developed a blueprint for companies looking to embrace a Responsible AI operating model.

In closing, we would like to thank our Accenture people around the world for their contributions in this space—with 477,000 people and a diverse ecosystem of partners, we can work at scale and influence the decisions and behaviors of those around us. Together, we are taking the best of Accenture and collaborating to effect positive change around the world.





David P. Rowland Interim Chief Executive Officer



Laurence Morvan Chief of Staff - Office of the CEO & Corporate Social **Responsibility Officer**



Jill Huntley Managing Director Global Corporate Citizenship

ACCENTURE AT A GLANCE

We serve more than three-quarters of the FORTUNE Global 500, driving innovation to improve the way the world works and lives. With expertise across more than 40 industries and all business functions, we deliver transformational outcomes for a demanding new digital world.

As we rapidly rotate our business to "the New"—digital-, cloud- and security-related services, enabled by new and innovative technology—we are helping clients create sustainable value for their stakeholders. We are proud that 97 of our top 100 clients have been clients for 10 years or more.





related services





invested in research and innovation to develop

leading-edge ideas



invested in the development of our people







in 44 countries



Note: All figures are US dollars and are as of fiscal year-end 2018 (August 31, 2018), with the exception of approximate headcount (as of February 28, 2019).

OUR REPORTING APPROACH

Our 2018 Corporate Citizenship Report details the impact we made across our corporate citizenship reporting framework in two areas: Innovating For Society and Shaping Responsible Business. The report explores our corporate citizenship goals, progress and performance across our global operations during fiscal 2018 (ended August 31, 2018), unless otherwise noted. Our previous reports are available on accenture.com.

Accountability and transparency are priorities for Accenture and are part of the foundation on which we build trust with our clients, our people, our investors and other stakeholders. We continually take steps to strengthen our reporting approach through ongoing stakeholder engagement and voluntary adherence to global non-financial reporting standards.

For our 2018 report, we continue to align with the <u>GRI Standards</u> as a basis for disclosure. For more information, please see the Reporting Prioritization section and our <u>GRI Content Index</u>.

We disclose our key non-financial metrics in our <u>Performance Data Table</u>, including data from the last three years. More information about our global corporate citizenship activities, including our most recent <u>CDP response</u>, is available on accenture.com. Additionally, Accenture holds a range of industry-wide external certifications that are relevant to corporate citizenship, including <u>ISO® 14001</u>, <u>ISO® 27001</u> and <u>OHSAS 18001</u>. Current financial and governance information about Accenture can be found in our recent <u>Annual Report</u> and <u>2018 Proxy Statement</u>.

UN Global Compact

This report serves as our tenth Communication on Progress to the United Nations Global Compact (UNGC) that we signed in January 2008, and it documents our progress to implement the <u>10 Principles</u> as a member of <u>Global Compact LEAD</u>, which focuses on raising sustainability performance. For a detailed look at our progress toward addressing the 10 Principles, see our <u>UNGC Index</u>.



We are very proud that since 2008, Accenture has been committed to the 10 Principles of the United Nations Global Compact and supporting their efforts to advance sustainability, gender equality and human rights. These vital endeavors align with our core values and our commitment to ethical leadership as we strive to address some of the world's most pressing issues."

David P. Rowland
Interim Chief Executive Officer

As a LEAD member, we are committed to working toward implementing the Blueprint for Corporate Sustainability Leadership and sharing related outcomes and learnings with the broader universe of companies in the Global Compact. As part of our ongoing commitment, we actively engage with the UNGC's UK Network's Modern Slavery Working Group and its Diversity & Inclusion Network and are participants in the UNGC's Decent Work in Supply Chains Action Plan Program.

We also aim to align our Environment, Social and Governance (ESG) goals with the Sustainable Development Goals (see Goals & Progress). Our goals represent Accenture's commitment to the seven Sustainable Development Goals most relevant to our business and society, contributing our resources and encouraging others to do likewise to realize the shared value of these 2030 objectives.

Stakeholder Engagement

We regularly engage internal and external stakeholders regarding our goals, our progress and performance to improve our reporting. We use input from a variety of groups to inform our approach and align more closely with stakeholder expectations (see table at right).

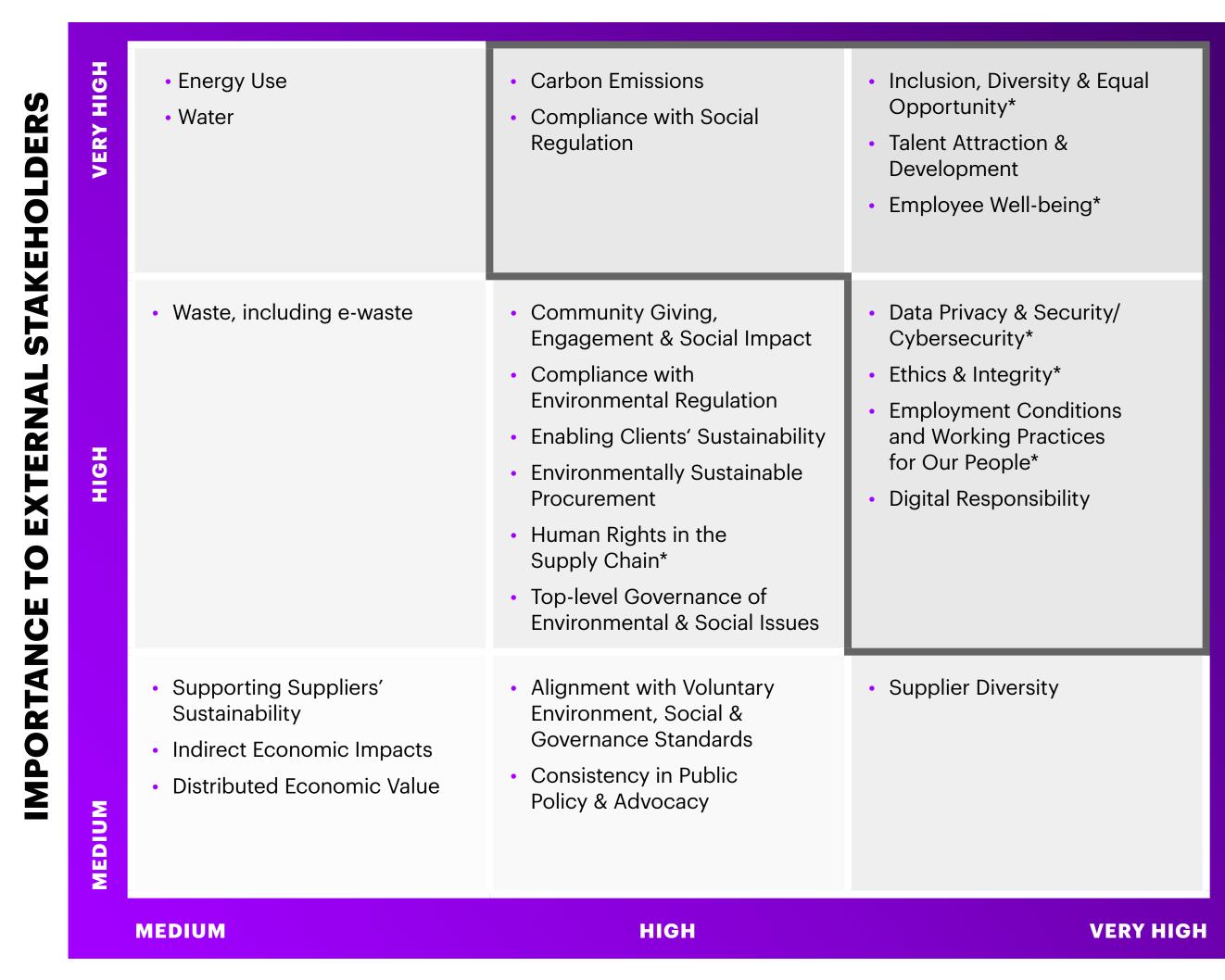
In a combined effort by our Investor Relations, Corporate Citizenship and Legal teams, we reached out to our top 50 shareholders in August through October 2018 to discuss our commitment to corporate citizenship and environmental-, social- and governance-related matters. Additional details on this initiative can be found in the Ethics & Governance section of our chapter on Shaping Responsible Business.

STAKEHOLDER GROUP	EXAMPLES OF ENGAGEMENT
CLIENTS	Satisfaction surveys, client account lead relation- ships, project quality-assurance processes, conferences and events, responses to information requests (e.g., CDP Supply Chain, EcoVadis)
CURRENT ACCENTURE PEOPLE	Surveys, internal memos and webcasts, accenture.com, social media, Business Ethics Helpline, focus groups, employee resource groups
INVESTORS	Quarterly earnings calls, investor and analyst conferences, responses to investor questionnaires (e.g., CDP Climate Change, Dow Jones Sustainability Indices, Institutional Shareholder Services), Investor Relations team outreach
SUPPLIERS	CDP's Supply Chain program, Supplier Standards of Conduct, Diverse Supplier Development Program, training and mentorship
GOVERNMENTS, MULTI-LATERALS & POLICY MAKERS	Political Contributions and Lobbying Policy, discussions via Government Relations team
NONPROFIT PARTNERS & FOUNDATIONS	Long-term, strategic nonprofit partnerships in support of Skills to Succeed, employee volunteering and giving, grantee relationships via Accenture Foundations, advocacy and societal change through cross-sectoral coalitions, national and international forums
POTENTIAL RECRUITS, ALUMNI & CIVIL SOCIETY	Social media, accenture.com, careers blog, alumni forums and events, news releases

Reporting Prioritization

To prioritize our report content, we review our nonfinancial materiality matrix annually to ensure the topics remain accurate and relevant. Since our last report, Environmentally Sustainable Procurement has increased in importance to our business as reflected by the expansion of procurement emissions in our new carbon reduction target. Additionally, while waste remains a topic of interest among our stakeholders through various questionnaires, we assess that it has become a topic of less interest to stakeholders relative to other comparable topics such as energy and water. Human rights continue to be an important focus for our stakeholders—the areas of human rights that are most relevant to our business and operations are indicated within the materiality matrix. Topics not included on this matrix are not considered relevant for our nonfinancial disclosures. A full review of this prioritization is scheduled for fiscal 2019 and will be reflected in our next annual Corporate Citizenship Report.

GRI Note: The outlined sections of the matrix indicated at right contain the most material non-financial topics in scope for reporting with the GRI Standards that are included in our **GRI Content Index**. For each topic, our list of definitions of material topics references the specific Standards used as well as Management Approach information. This report has been prepared referencing the GRI Standards. For more information about these Standards, please visit the **GRI website**.



IMPORTANCE TO BUSINESS

*Potential human rights impact

GOALS & PROGRESS

across sectors to create large-scale, lasting solutions aimed at

Innovating For Society

closing global employment gaps.



Call to Action to build an ecosystem of partners to support workers in

roles at risk of automation by developing solutions for "new skilling."







GOAL	PROGRESS	UPDATE	SDG*
DEMAND-LED SKILLING By the end of fiscal 2020, we will equip more than 3 million people with the skills to get a job or build a business.	U	To date, we have equipped more than 2.8 million people with workplace and entrepreneurial skills.	4 QUALITY EDUCATION
EMPLOYMENT & ENTREPRENEURSHIP OUTCOMES By the end of fiscal 2020, we will increase our focus on the successful transition from skill-building programs to sustainable jobs and businesses, and improve our collective ability to measure and report on these outcomes.	7	In the last five years, our largest initiatives with measurable outcomes have helped more than 515,000 people around the world obtain a job or build a business. This represents approximately half of the 1.04 million people who were equipped with skills. To date, our programs helped more than 800,000 people get a job or build a business.	8 DECENT WORK AND ECONOMIC GROWTH
COLLABORATION FOR SYSTEMIC CHANGE By the end of fiscal 2020, we will bring together organizations	77 .	We convene or participate in cross-sectoral partnerships, both nationally and internationally. This year, we launched <u>Inclusive Future of Work: A</u>	17 PARTNERSHIPS FOR THE GOALS

8

GOALS & PROGRESS

Shaping Responsible Business



GOAL	PROGRESS	UPDATE	SDG*
INCLUSION & DIVERSITY By the end of 2025, we will achieve a gender-balanced workforce, with 50 percent women and 50 percent men.	U	By the end of 2018, our global workforce comprised more than 42 percent women—up from 41 percent in 2017.	5 GENDER EQUALITY
INCLUSION & DIVERSITY By the end of 2020, we will increase the diversity of our leadership by growing our percentage of women managing directors to at least 25 percent worldwide.	7	By the end of 2018, 22 percent of our managing directors were women—up from 21 percent in 2017.	5 GENDER EQUALITY
NEW - REDUCING GREENHOUSE GASES By 2025, we will reduce our absolute greenhouse gas emissions by 11 percent from our 2016 base year, which represents a 65 percent absolute reduction in scope 1 and 2 emissions, and represents a 40 percent per unit of revenue intensity reduction for scope 1, 2 and 3 GHG emissions over the same time period.	U	In fiscal 2018, we achieved more than 5 percent reduction from our fiscal 2016 base year, a reduction of more than 67,000 metric tons largely due to increased use of renewable energy and reductions in air travel.	13 CLIMATE ACTION

GOALS & PROGRESS

Shaping Responsible Business









GOAL	PROGRESS	UPDATE	SDG*
ENABLING CLIENT SUSTAINABILITY By the end of fiscal 2020, we will begin to measure and report the impact of our work with clients and suppliers in key areas of sustainability.	U	In fiscal 2018, we continued to measure the impact of our services with clients, resulting in approximately 301,000 metric tons of realized CO_2 savings, and more than 2.6 million metric tons of additional CO_2 savings identified.	13 CLIMATE ACTION
SUPPLIER SUSTAINABILITY By the end of fiscal 2020, we will expand to 75 percent the percentage of our key suppliers who disclose their targets and actions toward emissions reduction.	()	Through fiscal 2018, more than 74 percent of our suppliers disclosed their targets, and more than 80 percent disclosed their actions toward emissions reduction.	13 CLIMATE ACTION
SUPPLIER INCLUSION & DIVERSITY Through our Diverse Supplier Development Program (DSDP), we will develop a total of 170 small, medium and diverse suppliers by the end of fiscal 2020.	7	Through fiscal 2018, we developed 144 small, medium and diverse suppliers through our DSDP.	10 REDUCED INEQUALITIES
ETHICS TRAINING We will strive to maintain employee completion rates in the high 90th percentile for our Ethics & Compliance training each year.	G	In fiscal 2018, we maintained employee completion rates of more than 98 percent for our Ethics & Compliance training.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

AWARDS & RECOGNITION

Recognized among

FORTUNE's

World's Most Admired Companies for 17 consecutive years; ranked No. 1 in IT Services category for six years Included on

Dow Jones

Sustainability Index North America and

FTSE4GOOD

Global Index, marking 14 consecutive years Included for the second consecutive year on

CDP's

Supplier Engagement Leader Board, recognizing companies that are reducing emissions and lowering climate-related risks within their supply chains

Recognized among

Ethisphere's

World's Most Ethical Companies, marking 12 consecutive years

Recognized on

DiversityInc's

Top 50 Companies for Diversity, marking 12 consecutive years and seven years in the Top 15

Received a perfect score on

Human Rights Campaign's

Corporate Equality Index each year since 2008

Included on the

Bloomberg

Gender-Equality Index for the second consecutive year

Received a perfect score on the

Disability Equality Index

for the second consecutive year

Ranked No. 1 on

Barron's

New Most Sustainable International Companies list Recognized among

Working Mother's

100 Best Companies, marking 16 consecutive years in the US and three consecutive years in India Included on

CDP's

Climate Change "A List" of top-performing companies for the fourth time since 2014 Ranked No. 2 on

CR Magazine's

100 Best Corporate Citizens list, marking 10 consecutive years

Included on

Corporate Knights'

Global 100 Most Sustainable Corporations in the World list Included on

FORTUNE's

100 Best Companies to Work For list for 11 consecutive years

Ranked No. 1 on

Thomson Reuters

Diversity & Inclusion Index, marking three consecutive years

Ranked No. 7 on the

Wall Street Journal

Management Top 250, marking two consecutive years





What's the point of having the best technologies—and living in the world we are living in—if we are not joining forces to make this world better?"

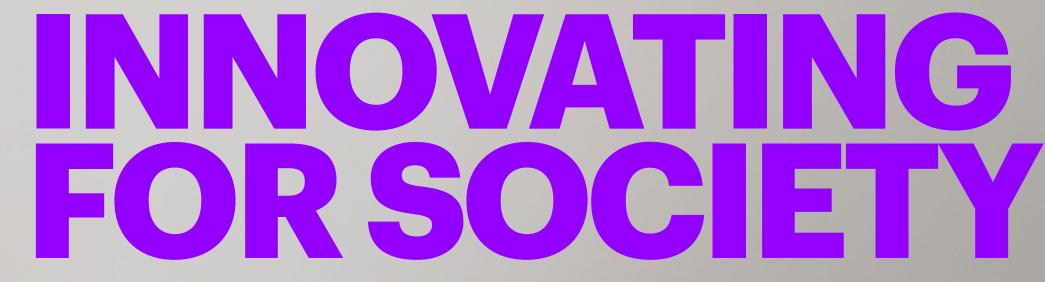
Accenture's 2018 Corporate Citizenship Report is dedicated to the memory of Pierre Nanterme, former Accenture Chairman & CEO, who, through his bold leadership and collaborative spirit, made our company—and the world—better and more

commitment to inclusion and diversity. One of his priorities was achieving a gender-balanced workforce by 2025, and he oversaw the growth in the percentage of women at Accenture from 35 percent to more than 42 percent of our global workforce.

Additionally, under his stewardship, our Skills to Succeed initiative helped more than 2.8 million individuals around the world gain the skills to get a job or build a business. Pierre was equally passionate about addressing climate change. In December 2018, he announced our new science-based target, making Accenture the largest professional services company to set a goal of this kind.

Pierre always referred to Accenture as a family and to himself as the "team captain," rather than the CEO. "Business is very serious, but we can have fun doing it," he liked to say.

Through his wisdom, energy, humor and tireless commitment to our people, our clients and our initiatives, Pierre inspired us—his Accenture family around the world—to live our vision of improving the way the world works and lives.



Discover how we are leveraging technology to help people around the world



STRATEGY AND APPROACH

With the passion of our people, our technology expertise and a broad ecosystem of partners, we develop and scale innovations and programs that help address society's pressing problems. We believe as a global business, it is our responsibility to help create societies that offer more opportunities to more people. From gender equality and climate action to decent work, economic growth and quality education, we are committed to addressing the United Nations' Global Goals and contributing to the new sustainable development agenda.

Nearly a decade ago, we took a defining step in our corporate citizenship journey. We launched our Skills to Succeed initiative to focus Accenture's expertise in growing talent to address the global need to close skills gaps and prepare individuals to get a job or build a business. This set a meaningful precedent for our company and for our people—a commitment to taking the best of Accenture and applying it in a concentrated, strategic way to address complex social issues.

Today, our focus on innovating for society has grown well beyond what we envisioned when we launched Skills to Succeed. We remain committed to skilling—in May 2018, we committed more than US\$200 million over three years to help equip people around the world with job skills for the digital age. At the same time, we are also excited to continue exploring new horizons with our nonprofit partners, and often our clients, innovating together to change lives for the better.



Businesses have an opportunity and a responsibility to be a force for good in the world. One important way we do this at Accenture is by applying the passion and expertise of our people, our deep knowledge of technology and its impact, and our strategic partnerships to create innovations that help address urgent social issues."

Jill Huntley Managing Director - Global Corporate Citizenship

ACCENTURE SOCIAL INNOVATORS: IDEAS CAN CHANGE THE WORLD

We believe that ideas can change the world and that individuals can inspire a movement. Our new Social Innovators initiative brings to center the passion of Accenture people for discovering and creating new solutions with a positive impact on society.

Our ambition is to provide opportunities for social innovators from across Accenture to learn together, to make real-world impacts and to lead in responsible design. By designing responsibly, we are considering the extended consequences of each new innovation, both positive and negative, on people, our planet and the economy.

We are proud to introduce some of our social innovators throughout this report. We celebrate their ingenuity, their creative spirit and their contributions to the greater good, as well as those of all their teammates and colleagues around the globe.

SKILLS TO SUCCEED

Helping 2.8M+ people get the skills they need to get a job or build a business

Through Skills to Succeed we are addressing—at scale—the global need for skills that open doors to employment and economic opportunity. To date, with our strategic partners, we have equipped more than 2.8 million people with the skills to get a job or build a business. Our goal is more than 3 million people by the end of 2020.

To address the changing skills demand, we are continually evolving our programs to include training on universal skills such as technology basics, problem solving and interpersonal skills, coupled with relevant specialized skills, to address local priorities and market-specific needs.

With these areas in mind, we aim to support people through their employment life cycle:

- Next Generation: Young students learning about career possibilities
- First Job/Apprenticeships: Individuals preparing for a first job or business venture
- Preparing the Workforce of Today: Experienced workers learning new skills

We have dedicated teams across our countries of operation who make these programs relevant for their communities. In addition, our large-scale grants extend these initiatives to additional countries, reaching people and communities in more than 100 countries.



NEXT GENERATION

Preparing today's students for tomorrow's workforce

As disruptive technologies advance and have a growing impact on society, a significant skills gap is also growing. This is a critical issue, and addressing it can help people, companies and communities to be prosperous and take advantage of sustainable growth and ethical innovation. Through our youth-facing activities, we aim to close the skills gap before it starts by equipping and inspiring today's students—tomorrow's workforce—not just with STEM skills, but also with an understanding of how they can harness creativity and innovation to improve the way the world works and lives.

Accenture Future Skills Builder: Learning experiences with greater impact

Accenture Future Skills Builder aims to prepare the next generation for a digital future and to influence them to study STEM and equip them with #NewSkillsNow.

Virtual reality (VR) has the potential to increase learning retention rates by more than 30 percent, and Accenture Future Skills Builder uses it in an immersive learning game, which helps teenage students develop critical thinking, problem solving and technical skills in a fun and interactive way. We collaborated with education experts, our nonprofit partner Junior Achievement, and Accenture's Global Extended Reality and Learning communities to design a VR experience game. The game's mission is to clean up the ocean, one of today's most pressing environmental challenges. We piloted

the game with 13- and 14-year-old students in Dublin schools, and 66 percent of the students felt they learned more from this experience than in a classroom setting. Teachers reported that the game enables self-discovery, builds confidence and fosters resilience by challenging students to keep working at problems they initially find difficult. In 2019, we are extending the Future Skills Builder experience to students in London.

As we incorporate this type of capability into more Next Generation training opportunities, we will look to the lessons learned from Accenture Future Skills Builder, balancing STEM recommendations with advice from our VR headset manufacturer to target immersive learning to older students and focus on different ways to teach children under age 13.



Accenture volunteers help Dublin students explore STEM careers with Future Skills Builder.

Accenture volunteers: Engaging the next generation

CoderDojo: Sparking an early interest in digital skills

Since we opened our first CoderDojo in Dublin in 2016, Accenture people have mentored young "ninjas," helping them learn coding while working on computer science projects. Volunteering at our CoderDojos is an enjoyable, positive way for Accenture people to impart career advice and inspire the next generation of coders.

In 2018, Accenture volunteers hosted the first International Dojo, which brought together representatives from Colombia, Ireland and Mexico. The joint session spanned time zones and continents and connected students virtually with the shared goal of expanding their digital fluency in programming. Today, we have more than 20 dojos around the world—and, in 2019, we plan to expand to additional locations, including the Philippines and United Arab Emirates.



Hour of Code: Bringing coding to classrooms around the globe

For four consecutive years, we have partnered with **Code.org** to help children around the globe learn about computer science through Hour of Code. As part of our commitment to preparing young people for the digital economy, in December 2018, nearly 4,000 Accenture people reached an estimated 100,000+ students around the world.

Additionally, we expanded our **Accenture Intelligent Space Exploration** Hour of Code tutorial across 15 languages to bring coding to more than 134,000 students around the world. This fun and engaging way to learn to code helps students understand how humans and technology work together—an important first step in preparing for a digital future.

To read more about how Accenture people contribute, visit Volunteering and Employee Giving.

Young "ninjas" at our Coder Dojo in Bilbao, Spain, engage in hands-on learning with Accenture coaches.

FIRST JOB/APPRENTICESHIPS

Breaking down barriers

According to Solutions For Youth Employment (S4YE), one in three young people worldwide are not in education, employment or training. Getting the global economy on track, creating new prosperity and eliminating extreme poverty will be impossible unless the public and private sectors work together to change the course of youth employment. Businesses can play a critical role by partnering with governments, nonprofits, universities and others to educate, train and build a next-generation high-tech workforce and bring young people into a more-inclusive future of work. Through training, internship and apprenticeship opportunities, we look to break down the barriers to employment, including expanding availability to job opportunities at Accenture.

BecaXR: Helping youth to see—and prepare for—better careers

With nonprofit partner Save the Children, we developed Better Careers Through Extended Reality (BecaXR), an immersive augmented reality/virtual reality mobile phone application that targets young job seekers who have limited knowledge about the requirements of jobs in their local market.

BecaXR is designed for use during employability training in vocational schools, community centers and workplaces. The application allows young people to envision new careers, using 360-degree video to immerse themselves in typical workplaces,

and helps them practice key communication skills and build public speaking confidence through life-like virtual reality simulations. BecaXR is now in pilot in Vietnam, and we aim to expand it to additional geographies, offering career counseling, job linkage and information on vocational career paths.

To date, through a range of collaborations, Accenture and Save the Children have equipped nearly 90,000 youth in more than 10 countries with the skills to get a job or build a business. Over the next three years, we plan to equip more than 80,000 additional youth with these skills. As we continue to develop and provide these opportunities, we work to ensure that the types and levels of technologies we use are accessible and affordable, and tailored to the audience.



In Da Nang, Vietnam, BecaXR helps young people visualize potential career pathways.

Skills to Succeed Academy: Equipping people for employment and boosting their confidence

Our Skills to Succeed Academy—a free digital learning platform helps disadvantaged young people develop the skills and confidence they need to find and sustain employment. Participants are engaged through interactive, bite-sized modules, featuring relatable characters and advanced learning technologies.

For example, Phillip, from Columbus, Ohio, United States, did not finish college but had a passion and aptitude for information technology (IT). Through our nonprofit partner Goodwill Industries International, he attended the Academy's Career Exploration and Career Pursuit courses. Putting his learning into action boosted Phillip's confidence in career planning and interviewing. He earned two technical certifications, found work in IT support and is now pursuing additional certifications.

To date, more than 100,000 people globally have built critical employment skills through the Skills to Succeed Academy. We recently launched the Academy in the Philippines, and it is already available in Australia, Ireland, South Africa, the United Kingdom and the United States.

Impact hiring through internships and apprenticeships

We are committed to doing our part to connect newly skilled individuals with sustainable jobs—not just as a funder and strategic partner, but also as an enthusiastic employer of individuals who have overcome disadvantages and have been equipped with job readiness and marketrelevant skills. This expands our talent pools to include new groups of high-potential individuals, and supports our ambition to establish Accenture as the most inclusive and diverse organization in the world.

In France, Latin America and the United States, our Impact Hiring initiative connects highly motivated, high-potential individuals from underrepresented groups with jobs at Accenture.

Acces Inclusive Tech in France is the result of a pioneering collaboration between Accenture and Ares Group, one of the largest placement groups in France. Acces integrates underprivileged members of the community, including unemployed seniors, migrant workers, refugees and unskilled workers with disabilities, into the workforce. Accenture volunteers guide beneficiaries in skills training, and ultimately, they are staffed on Accenture internal and client-facing projects.

In Canada and the United States, we have three impact hiring channels: Skills to Succeed internships, our apprenticeship program and direct hiring.

Our Skills to Succeed Internship Program provides early career exposure and on-the-job work experience at Accenture for high school students and young adults who are referred to us by our nonprofit partners. In fiscal 2018, we hosted nearly 200 interns across 22 cities.

Accenture's apprenticeship program offers a pathway to full-time employment for non-traditional hires. Structured as an earn-andlearn model, the program helps apprentices become job-ready for specific technology and business roles. In addition to providing the opportunity to build a career at Accenture to individuals without a four-year college degree, the initiative lays a foundation to reskill those whose jobs have been—or will be—disrupted by technology. By the end of 2019, Accenture will have trained 450 apprentices in the United States. In Canada, we are expanding our program to 100 apprentices by 2020.

For direct hiring, we connect individuals from nonprofit partner training programs, including the Institute for Veterans and Military Families, NS2 Serves and Upwardly Global, with Accenture Human Resources to fill existing demand. In fiscal 2018, we made 55 direct impact hires.

In Brazil, Colombia and Mexico, our Start program provides lowincome individuals with the business and technical skills they need to build meaningful, lasting careers in technology or business

process—with an opportunity to be hired by Accenture. Made possible by the collaboration with our partners Corporación Minuto de Dios, Fundación ProEmpleo, Instituto Ser Mais and Rede Cidadã, the Start program has helped more than 500 individuals gain employment. For instance, <u>Yessica Rodríguez</u> in Colombia aspired to work in the IT sector but did not have the experience needed to get a job. After completing the Start program, Yessica was hired by Accenture, and says, "I now see myself in the future helping society from my experience. This project will change the lives of many people, as it has mine."



Accenture apprentices and Leaders celebrate the launch of our **Atlanta Innovation Hub.**

Plan International: Finding new ways to reach and coach vulnerable job seekers

We are working with Plan International to find innovative new ways to reach—at scale—vulnerable and disadvantaged young people who are seeking their first job or aiming to start a business. Our Wired for Work collaboration in Indonesia and the Philippines aims to equip nearly 14,000 marginalized youth—with a special focus on women—with life skills and market-driven technical skills, with an increased emphasis on the use of digital and innovative approaches to reach more people.

In the Philippines, as part of this partnership, we have created the Training and Employment Support Service Assessment (TESSA) chatbot—an AI-enabled tool that leverages Facebook Messenger to provide personalized coaching to users as they build resumes and identify skills, training and employment opportunities. Through inperson dialogues with students, we were able to gain rich insights regarding the challenges they face, the skills they need and their career ambitions. The resulting coaching from TESSA prompts a young person to follow through on opportunities and actions, directing and motivating them to fulfill their potential.

This is just one example of our partnership with Plan International. Together, we expect to skill more than 48,000 people across Africa, Europe, Latin America, North America and Southeast Asia by 2021.



Students in Manila test the AI-powered TESSA chatbot, providing feedback on its effectiveness.

PREPARING THE WORKFORCE OF TODAY

Experienced workers learning new skills

Today, intelligent technologies such as analytics, big data, AI and robotics are reshaping work and automating routine tasks, while augmenting activities that involve social, emotional and cognitive skills. These ongoing changes offer tremendous opportunity for future and current workers to learn new skills and create more value. Accenture's report, "Reworking the Revolution," found that by 2022, Al alone could increase revenues by 38 percent and employment by an average of 10 percent across Brazil, France, Germany, Japan, South Africa, the United Kingdom and the United States.

At Accenture, we are bringing new skills that supplement an employee's existing expertise to create an inclusive future of work—a future in which all employees have the motivation, means and opportunity to thrive in the digital economy.



At a brainstorming session hosted by Accenture, community leaders in St. Louis discuss solutions for empowering mid-career workers in roles at risk of automation.

Inclusive Future of Work: A call to action

Inclusive Future of Work is an action-oriented, research-driven initiative that seeks to transition mid-career employees who are in less-complex roles that are at risk of becoming automated to new careers. Based on surveys of more than 14,000 employees and 1,200 employers, it uses human-centered design to understand the needs of employees.

Based on our findings, we developed a framework to support mid-career workers as they embrace new career pathways:

- Envision: Helping employees prepare for the path forward by building resilience, expanding horizons and inspiring action from within.
- **Expand**: Providing the resources to build future-proof, marketrelevant skills so the transition between roles is faster and easier.
- **Experience**: Enabling employees to build work history, exercise adaptability and demonstrate their abilities to employers.
- **Empower**: Supporting lifelong learning through skill-sharing, mentorship, networking and peer-to-peer support.

We are building an ecosystem of partners to design, develop and pilot solutions that address the challenges faced by this population. Our first projects, in the United Kingdom and the United States, served as laboratories to test and improve our new skilling framework:

- In the United Kingdom, our key innovation partner was Tottenham Hotspur Foundation, which focuses on revitalizing North London by creating greater employment opportunities for residents. Together, we delivered a new technology asset that provides strengths-based assessments to help residents learn about potential career paths at a new stadium for the Tottenham Hotspur Football Club, which will bring 3,500 new jobs to the area.
- In the United States, we partnered with two governmentfunded public workforce agencies and a nonprofit new skilling organization, all of which connect job seekers to training programs and employment, help employers diversify their workforce and assist youth with career skills. In the past, these agencies have served more than 30,000 people.

Most recently, we expanded on what we learned from these projects and have formed new partnerships to deliver a scalable model that can be replicated across geographies to help transition job seekers to automation-resilient work.



At our Madrid Digital Hub, a job seeker enters the immersive experience of XR4 Hospitality.

XR4 Hospitality: Virtual reality training to develop skills and confidence

In Spain, we have collaborated with a variety of social organizations, companies and public organizations, including the Agency for Employment of the Madrid City Council, ITER Foundation, Meliá Hotels International, Secretariado Gitano Foundation, Spanish Red Cross and Tomillo Foundation to provide VR training for those seeking employment in the hospitality industry.

The VR training enhances standard vocational training by simulating situations hospitality workers can face and improves their ability to meet challenges once on the job. The simulated events involve a variety of scenarios and include training on digital elements and required interpersonal skills.

Following the training, participants receive detailed feedback on what they did well and areas for improvement. Within three months of launching the training in November 2018, six organizations began using it to train young people looking for careers in hospitality.

Sky's the Limit/YBUSA: Connecting entrepreneurs to training and funding using AI

As part of Accenture's long-standing relationship with Youth Business International, Accenture Labs helped Youth Business USA develop the skysthelimit.org platform, which uses AI analytics to connect budding entrepreneurs with resources, skills training and mentoring.

In fiscal 2018, we created and piloted a new blockchain solution that allows donors to vote for eligible entrepreneurs on skysthelimit.org. This opens a funding round during which young entrepreneurs create and promote campaign pages, outlining their stories and business strategies. Donors then purchase tokens to vote on entrepreneurs' campaigns, and, at the end of the funding round, the entrepreneur with the most tokens trades them in for a grant that can be applied to business expenses. The first winner, US-based Founders Spark, received a grant to use toward its mission of introducing new and aspiring entrepreneurs, into the start-up community as well as providing them the tools they need to succeed.

Additionally, we helped expand the platform's global reach through Fate Nigeria, TechnoServe South Africa and Youth Business Caribbean.

Accenture Development Partnerships

Accenture Development Partnerships brings Accenture capabilities and experience to help the international development sector address the most-complex social, economic and environmental issues of our time. Our teams have delivered more than 1,500 engagements spanning more than 90 countries since 2003.

Eligible Accenture people can apply for six-month assignments with the program, which undertakes projects within the nonprofit sector in the developed and developing world, providing access to our highly skilled talent at significantly reduced rates. These projects are also an investment in high-performing people, offering them the opportunity to stretch their proven skills and experience in a unique working environment. In fiscal 2018, approximately 500 Accenture people contributed to the greater good through Accenture Development Partnerships.

San Francisco, US-based Consultant Kira Gidron, says, "Working in a role in which I could create social impact has been a goal of mine since college. The more time I spend working on Accenture Development Partnerships projects, the more I realize the unique position we are in to make systemic changes, working across the government, private and international development sectors."

World Vision: Financial resilience—innovation in microfinance through customer centricity

Accenture, Community Economic Ventures Inc., VisionFund International, World Vision, and a finance institution's foundation came together with a shared vision.

We wanted to design a scalable, viable, yet truly human solution to enhance resilience of impoverished communities in rural areas across Southeast Asia. We started our journey in the Philippines, where Accenture Development Partnerships became immersed in local communities and gained valuable insights into the risks, needs and desires of microfinance clients.

We brought what we learned into an innovation workshop, led by Accenture Development Partnerships, with experts from microfinance, insurance and communities where the ecosystem of microfinance was challenged. After a series of rapid ideation and prototyping exercises, this collaboration resulted in the prototyping of a digital tool that could redefine the relationship between microfinance field agents and their clients in developing communities. Data-driven insights from the tool will allow organizations to better listen to and respond to the needs of the developing market. We believe this will promote positive financial health-seeking behaviors, and support access to financial products and other non-financial services to improve resilience and prosperity for impoverished families.



In addition to designing innovative workforce solutions, Accenture is using the power of new technologies such as AI, blockchain and extended reality to address a variety of complex societal challenges in areas including health, human rights, inclusion and environmental sustainability. We believe through these technologies we can create solutions that make a positive, lasting impact for people and communities in ways that were not previously possible.



HEALTH

Virtual homecare: Helping older citizens live independently

The number of older people physically and socially isolated at home is rising rapidly around the globe. Because these people often do not have family members living nearby to help, the situation has created a new population of vulnerable people.

AI can help older people improve their physical and mental well-being. Our virtual homecare program—inspired by work started in our AI4Good Hackathon—runs on Amazon Web Services technologies, using voice and vision technologies to enable video calls, medicine and exercise reminders, reading material and event searches. The program can spot abnormalities in behavior and alert family or friends, based on user-defined permissions. When virtual homecare was piloted in senior citizens' homes in London through a partnership with Age UK London and Hanover Housing Association, participants reported an improved connection to their community and families.

E-Healthworker: Innovating to improve child health in hard-to-reach areas

In the Philippines, community health workers combat malnourishment among the children they serve, often traveling long distances to provide manual child health assessments that are delivered on paper to a centralized health team, who reviews them and provides suggested treatment plans. The health worker must then travel back to where the children live to advise guardians of the diagnosis. This manual process can delay treatment for months, sometimes with tragic results.

Manila-based Accenture Technology Team Lead Glory Dela Paz learned of the issue from her sister, a doctor in the area, and felt compelled to find a solution. By leveraging her network, she led a team of colleagues to create an Android-enabled application, E-Healthworker, as part of the Global Technology Innovation Challenge. The app enables health workers to decrease response time by inputting a child's body measurements and instantaneously receiving the child's nutrition status. They can then administer a treatment plan that same day.

The team is now working with Save the Children to improve the application further and pilot test it with community health workers in Metro Manila.

HUMAN RIGHTS

Grameen Foundation: Providing access to finance to women in India

In partnership with the Grameen Foundation India, we developed two innovations to help women and low-income citizens overcome barriers to accessing financial services. EASE (Emotion Analytics for Social Enterprises) is a mobile and web app that uses AI to glean key insights into the emotional and cognitive state of an individual. This helps microfinance advisers spot if any undue pressure is being placed on female loan applicants, and it helps organizations identify the right talent for recruitment and career progression.

Grameen Guru is a tool that uses augmented reality, image recognition and a multilingual chatbot to help smartphone users with limited literacy understand available financial products and services. By holding their phone camera over a product brochure or icon, users get instant access to the Guru chatbot, which can explain their options in clear, simple language.

By developing and deploying these apps, we help equip women with the information they need to make informed financial decisions. This gives them greater control over their lives, enabling them to start small businesses, invest in their local communities and better cope with crises.

Circular Supply Chain: Improving sustainability, efficiency and fairness with blockchain

The ability to promote sustainability across the supply chain has never been more important. In fact, according to a US-based survey, two-thirds of consumers state a preference for sustainable brands. Innovative technologies like blockchain allow for greater transparency and traceability, so socially and eco-conscious consumers can be better informed about where their products are originating.

We have created a blockchain-based circular supply-chain solution designed to improve the sustainability, efficiency and financial fairness of global supply chains. Using the transparency that blockchain provides, the ability to verify digital identities of each actor across the supply chain and real-time payment technologies, consumers are directly connected to producers and enabled to reward their sustainable practices through a financial contribution. For example, when buying a cup of coffee in Brussels, a consumer could choose to designate a small donation to the farmer in Thailand who grew the organic beans. Building a closer connection between consumers and small growers encourages an inclusive and ethical economy where positive action helps mitigate environmental impact.

INCLUSION

BleeTech: Enabling hearing-impaired dance students to feel the beat

Learning to dance can be challenging for anyone. For hearingimpaired dance students at the Red Cross Society's School for the Deaf in Pune, India, distinguishing and responding to the subtle rhythms in a piece of music was even more difficult. To enhance their learning experience, BleeTech created the BleeWatch, which enables hearing-impaired dance students to physically feel the music's beat through haptic feedback.

Originally, the BleeWatch provided a limited range of music because any rhythmic patterns had to be manually extracted and programmed. Accenture Labs addressed this limitation by using state-of-the art music analysis to help BleeTech automatically extract the beat pattern and tempo of any piece of music. The solution also ensured multiple BleeWatches could be synchronized to the same beat for group lessons.

WATCH A VIDEO





BleeTech watches help hearing-impaired dance students in Pune, India, feel the music.

ENVIRONMENTAL SUSTAINABILITY

H&M Foundation Global Change Award: Groundbreaking ideas for big change

It is possible to reuse or recycle approximately 90 percent of the clothing thrown away today, but only 15 percent of unwanted clothing is currently donated or recycled. Making the fashion industry more sustainable is a massive paradigm change—one best made via an ecosystem of partners and open innovation.

In response, the Global Change Award was founded in 2015 by the nonprofit H&M Foundation, in partnership with Accenture and KTH Royal Institute of Technology. It is one of the world's biggest yearly challenges for early-stage innovation and the first initiative of its kind in the fashion industry, aiming to make fashion more sustainable. Submissions for the award propose ideas that apply disruptive technology and new business models to change the way garments are designed, produced, shipped, bought, used and recycled.

In 2018, the Global Change Award received more than 6,600 submissions from more than 180 countries. Each year, five winning innovations are selected and awarded a €1 million grant and a one-year-long accelerator program in Hong Kong, New York and Stockholm. The accelerator is designed to help the winners maximize their impact on the fashion industry through coaching, skill-building and connecting them with important stakeholders in the fashion ecosystem.

Previous winners' innovations include making sustainable bio-textiles by using leftovers from food crop harvests, turning algae into bio-fiber and eco-friendly dye that is also good for the skin, and using the self-healing characteristics in squid genes to create fabric that is biodegradable and 100 percent recyclable.



Winners of the Global Change Award participate in a one-year accelerator program in Hong Kong, New York and Stockholm provided by H&M Foundation, Accenture and KTH Royale Institute of Technology.

WATCH A VIDEO

CASE STUDY



Students participate in the 2018 LetsApp Hackathon in Milan, where they presented the apps they created and their business plans.

Samsung Electronics Italia: Addressing the digital divide in Italy

Samsung Electronics Italia sought to empower future generations through digital learning.

Client challenge

Italy is falling behind other European Union countries in digital development. To help address this divide, Samsung Electronics Italia, a leading consumer technology company, is committed to investing in high school students' digital skills to prepare them for successful careers. After previous attempts to find an effective solution, Samsung Electronics Italia hoped to establish a lasting and impactful program in partnership with the Italian Ministry of Education, University and Research (the Ministry).

Solution

Accenture worked with Samsung Electronics Italia to create <u>LetsApp</u>, a free online learning course that introduces students to the digital world and transforms their ideas into practical entrepreneurial projects. LetsApp teaches digital skills, like coding, combined with soft skills such as marketing and business. After completing the online course, students work in teams to design and build an app that solves a real problem affecting safety and security in their local community. The teams then develop a business plan for their app and present at a hackathon. The winning team is rewarded with an educational trip to Samsung's global headquarters in Korea.

Result

More than 50,000 students in 4,000 high schools (half of the public secondary schools in Italy) participated in the first two editions of LetsApp—record-breaking participation for an educational project. More than 60 percent of the students who participated have expressed interest in exploring career paths with a digital focus, such as an IT job. The app resulted in an extended partnership with the Ministry through 2019 and has shown universal reach that is highly scalable and potentially replicable for all European countries.

LEARN MORE



INNOVATING FOR SOCIETY

ALOCKAHEAD

In fiscal 2019, we are continuing to make progress toward our goals and address our challenges by:

LOOKING

to the next horizon for Skills to Succeed as we rapidly approach our goal of equipping 3 million people with skills to get a job or build a business.

INTEGRATING

the findings from our Inclusive Future of Work research and pilots into our Skills to Succeed offerings to help beneficiaries seize the opportunities and build greater economic resilience in the digital age—especially for vulnerable and marginalized populations.

EXPANDING

our Social Innovators program to enable more of our people to bring their talents to bear on tackling entrenched social challenges.





SHAPING RESPONSIBLE BUSINESS

Discover how we practice and promote responsible business around the globe

SOCIAL INNOVATOR

Nisha Ramachandra Principal – Accenture Technology Bengaluru, India

STRATEGY AND APPROACH

Global economic and social uncertainties, coupled with ongoing technology change, continue to upend markets and intensify competition. In times of disruption, trust is paramount. Organizations have an opportunity to create and maintain trust by responding to growing demands for inclusive and responsible business—and by innovating with integrity.

At Accenture, we have always believed that a responsible approach to business is fundamental to success, protecting our people, our company and clients, while differentiating us in the marketplace. The size and scale of our business gives us the opportunity to help shape business practices and society for the better, whether by creating innovative solutions with our clients or by working alongside our partners to support the communities in which we live and work.

Guided by our <u>core values</u>, we develop technology solutions to help clients transform their businesses and address some of the world's most pressing problems. We hold ourselves to the highest standards, and we act with the principles of transparency, foresight and inclusion to address all stakeholders' interests in the pursuit of ethical innovation and inclusive growth. As part of our commitment

to responsible business, we operate by the same values and principles wherever we have a presence, enabled by our core values, our Code of Business Ethics (COBE), and our global policies and procedures. This includes supporting and respecting the principles of internationally recognized human rights (as part of our continuing LEAD membership of the United Nations Global Compact) in every aspect of our business and operations.

Our commitment to running our business responsibly is reflected in how we serve our clients and deliver our work to clients and within our ecosystem. We bring this commitment to life through our policies and initiatives related to our people, the environment, our supply chain, and ethics and governance. These policies specifically relate to how we design and deliver our services and how we operate our business. Our policies also include efforts to develop the most diverse and inclusive workforce in the world, address climate change, and support and respect human rights. Our policies are intended to promote the responsible adoption of new technologies, including through responsible use of artificial intelligence (AI), data security and more.

OUR PEOPLE

A diverse collective of innovators, making a difference in the world

A critical part of our talent strategy is continuously investing in developing and growing each of our 477,000 people as they work together solving industries' and organizations' most challenging issues. From engaging employee experiences to providing an environment where everyone feels like they belong—our commitment to equality for all starts at the top with our CEO and Board of Directors, and we expect leaders at all levels to help create and sustain a culture of equality where everyone can advance and thrive.



DEVELOPING OUR PEOPLE

Critical skills for the constantly disrupted world of work

The story of each Accenture person—their whole, authentic self drives how we help our people discover and develop their talents. We provide opportunities for our people at all levels to challenge themselves professionally, collaborate with and learn from diverse teams, and enhance their personal growth—in ways that work for them. Equipped with leading-edge technology, opportunities for continuous learning and a tightly knit global community, our people are well prepared for today's constantly changing world of work, innovating together to solve industries' and organizations' most challenging problems.

Creating the workforce of the future: Elevating our people

The very way work gets done—inside and outside Accenture—is constantly being disrupted. Career paths are no longer linear, and time to focus on professional development outside of work is limited. We provide our people with the tools and skills to provide flexibility, so they can discover new talents and build new skills on their time, as the workforce keeps pace with the digital revolution.

To ensure we have the specialized skills we need to meet our clients' changing needs, we invested US\$927 million in fiscal 2018 in learning and professional development for our people, including substantial investments in "new skilling" to help our people stay relevant.

Through new skilling, we are elevating our people's abilities by providing supportive training and on-the-job learning opportunities. As a result, we have helped our people in low-demand or obsolete skill areas shift into roles requiring high-demand skills. During fiscal 2018, we expanded our new skilling approach with a focus on three dimensions:

- New Skilling at Scale: Identify potential roles at risk of becoming redundant and provide upskilling or cross-skilling opportunities in growing domains.
- New Skilling at Speed: Indicate when a group of employees are at risk of being displaced and provide skilling and redeployment opportunities.
- Just-in-Time Skilling: Provide real-time matching of open, in-demand roles, with individuals with adjacent skills and aspirations to develop new skills through training and job shadowing.

As part of our pivot to the New, we are using automation and AI to create our Next Horizon Skills Dashboard, which leverages market workforce data to identify emerging strategic skill gaps. Through the dashboard, we can pinpoint the need for new skilling at scale and just-in-time skilling so that our workforce can be trained on skills to meet the growing demand—now and in the future.

Through our new skilling efforts, we continue to make significant progress in helping our people pivot to the New. Our New IT program enables us to prioritize skill investments to meet specialized demand in real time. Over the past three years, we trained nearly 300,000 of our people in new technologies, including automation, Agile development and intelligent platforms.

Additionally, we further enhanced the areas of mobility, personalization and flexibility—how, where and when our people collaborate—in our training, by offering more ways to access learning experiences through Accenture Connected Learning—a blend of classroom-based training and digital learning environments. In 2018, our people completed approximately 30 million activities through our nearly 2,600 learning boards—on-demand educational modules across a wide range of topics—including technology, strategy, talent, business and industry, among others.

To increase learning retention and return on investments, we extensively research brain science (such as neuroscience, behavioral psychology and social physics) to understand what makes learning effective. From this research, we developed our Durable Learning model, which captures the factors that help people learn, retain and access information. This model informs all new and existing Accenture learning. The model also includes important elements that compose the learning—what we want our people to see, feel and believe when they engage in learning. This creates more adept learners, more memorable learning experiences and more engaging learning environments.

Specialization at scale

As part of our talent transformation, we debuted our "Specialization at Scale" program. With 477,000 people, we needed a robust and agile way to ensure that the right team, with the right skills, is ready at the right time to spark innovation. Rather than having individuals self-report on skills, AI infers an employee's skills and specializations.

In such programs, transparency is key. Accenture people receive information about how their specialization was derived, how the algorithms work and how to immediately update their specialization if they disagree. Areas of specialization, learning opportunities and advancement are also part of ongoing, real-time conversations that people have with career counselors, helping them to remain relevant.

BUILDING AN AGILE WORKFORCE

Agile Workforce is a digital solution that allows us to create an internal "gig" workforce using spare capacity in our organization to meet resource demands. This solution is more than just a resourcing model for our people—it is a means of working in a flexible, dynamic way with access to teams and experience far beyond their day jobs. Our people get to build and apply their skills to projects they find interesting or build skills for entirely new roles. Agile Workforce also helps team leads quickly find individuals with the right skills for short-term tasks.

Performance Achievement: A human-centric approach, built on strengths and in-the-moment feedback

Accenture is committed to helping our people achieve their best performance every day. Introduced in fiscal 2016, the Performance Achievement experience, supported by patented technology, helps our people bring the best of who they are to what they do.

The Performance Achievement experience is designed not only to elevate individual performance, but also the performance of a team. Team leaders regularly discuss the priorities, strengths and engagement of the team, using data from an engagement survey they can distribute autonomously, and incorporating ongoing realtime feedback shared within the team.

By the end of fiscal 2018, more than 64 percent of Accenture people completed strengths assessments, and our leaders have created more than 780,000 unique actions to help our people define what is next for their careers at Accenture. Additionally, our people had provided more than 1.9 million instances of feedback to each other—critical to enabling a culture of performance.

The chief priority of Performance Achievement in fiscal 2019 is embedding the everyday habits that will drive great performance in the context of the work environment. These include asking for and sharing feedback, as well as habits such as taking care of our bodies and minds, checking in and listening, and saying thank you. We are establishing these habits through a network of nearly 500 "Culture Coaches" around the world.

Developing leaders at all levels: Cultivating our Leadership DNA

Through our Leadership DNA, we continue to define what it means at Accenture to be a leader at all levels by focusing on the outcomes that represent a new kind of leader—one who experiments, inspires others, works across boundaries and adapts to the constant change around us. Since its launch in 2017, we have evolved the program to be more tailored for our various businesses and geographies and have further embedded the Leadership DNA practice into a leader's career journey at Accenture.

In fiscal 2018, our RISE Leadership Journey—a robust 30-60-90day plan of actions for new senior manager, manager and associate manager promotions and hires—embedded Leadership DNA by centering the program around its principles—learning by doing and practicing versus only listening. Each participant was able to reflect on their personal path and areas for growth, and was assigned a leadership challenge around which they co-created solutions with others in the workshop.



Around the world, our people come together for multi-day immersive learning, professional development and networking sessions.

CREATING TRULY HUMAN EMPLOYEE EXPERIENCES

Helping our people be their best selves, professionally and personally

Accenture is on a journey to be the most truly human organization in the digital age. To accomplish this goal, we are helping our people maintain and enhance their physical energy, mental focus, value and purpose amid disruptions produced by today's relentless technological pace of change and 24/7 connectedness. We are changing the ways we work, taking advantage of technology and empowering our people. To ensure our people are their whole, best selves, we are improving the way they work and live.

Fostering employee well-being

We are committed to providing our people with programs that enable them to take care of themselves and their families—and that fit with their lifestyles. It is important to our people that they are healthy and that their work and life are in sync. For example, we:

- Developed our Truly Human workshop, based on scientific health and well-being research, in partnership with wellness company Thrive Global. Accessible to all our people, the workshop includes self-assessments, journaling and science to help teams to think about how they work and agree to make small changes to their daily routines.
- Launched our global Stop:Start campaign, which encourages our people to share what micro-changes they are making to be at their best, and creates a forum for them to publicly commit so others will listen and keep them challenged.
- Teamed with Potential Project—a global leader in corporate mindfulness—to create the Accenture Mindfulness Program, which helps our people learn how to train their minds to become more mentally focused.
- Are working to create truly human experiences across our office locations, introducing different workspace configurations for sitting, standing and lounging, healthy snack options and providing spaces for prayer and meditation.

MENTAL HEALTH ALLIES

Mental Health Allies serve as ambassadors and advocates who can help point colleagues facing mental health challenges to the support they may need, such as our Employee Assistance Program, flex-work arrangements, HR policies and emergency support. They also conduct monthly educational webinars that are open to anyone. Globally, Accenture has nearly 3,000 Mental Health Allies and programs in 17 countries with plans to add more in fiscal 2019. In the United States, our Mental Health Allies program has trained more than 200 volunteers in more than 30 office locations within just one year of its launch.

Creating a safe workplace

Part of empowering our people to be at their best is helping to ensure rigorous health and safety programs for employees and guests in our offices as well as the thousands of Accenture people delivering services on site for our clients. Workplace safety is one of the tenets of our Code of Business Ethics—to provide a safe, secure and non-threatening work environment.

In our offices, we have developed global internal standards for safety and security, while also maintaining our OHSAS 18001:2007 certification—a standard for occupational health and safety—in Brazil, Ireland, Italy, Spain, the United Kingdom and our largest site in Bengaluru, India. We also support geographies currently working toward OHSAS 18001 certification.

Additionally, we have updated several of our processes and technologies to align them with internationally accepted standards. These include global processes for the safety and security of persons with disabilities, which have been written and reviewed by external industry experts. Our corporate access and monitoring architecture helps ensure our people and guests visiting our offices are kept safe and secure, and that our data and the privacy of our people are protected.

Our Global Asset Protection (GAP) team is responsible for providing business continuity and security in the form of emergency assistance as needed during our peoples' work or business travel. GAP maintains a 24/7 Global Watch program to assist our people with security risks and health advice, and promotes awareness among our people traveling to high-risk locations. In recent years, we added technical tracking resources to enhance our response and focus on the safety of our people during crises.



Our Global Asset Protection team protects our people as they travel.

ACCELERATING EQUALITY FOR ALL

Ensuring our people feel like they belong

Our ambition is to be the most inclusive and diverse company in the world. We are committed to finding the right people who embrace our "culture of cultures" and provide them an environment where they experience a true sense of belonging, where they can be their best, professionally and personally.

We believe that diversity is a source of innovation, creativity and competitive advantage and creates a workplace where everyone feels equally accepted with a real sense of belonging."

Ellyn Shook Chief Leadership & Human Resources Officer

Creating an open, inclusive culture means cultivating a place where people can feel comfortable engaging in honest, open dialogue about difficult topics—such as bias and inclusion—without judgment or career limitation. In 2018, we launched our first-ever interactive documentary video-style training, "Unconscious Bias—Mitigating It Together," which explained how to identify micro-aggressions in the workplace. To date, more than 40,000 of our managers and above have taken the mandatory course with resoundingly positive feedback. At the end of the course, we provide a set of actionable steps for both individuals and teams to mitigate unconscious bias.

GENDER SWAP: EXTENDED REALITY FOR A CHANGE OF PERSPECTIVE

To help leaders be aware and examine behaviors about gender bias and stereotyping, we partnered with a digital design firm Manzalab in France to develop the Gender Swap app. In 2018, our Paris office piloted the app among 200 senior managers and managing directors who were preparing for performance rating meetings. To create a realistic experience, we scripted six five-minute scenarios for the app around a woman's pending promotion with possible stereotypical exchanges. The scripts put our senior managers and managing directors into the shoes of employees experiencing gender bias and stereotyping.

Gender equality: Setting bold goals to achieve 50/50

At Accenture, we believe the future workforce is an equal workforce and that gender diversity is essential for an innovationled organization. On the path to gender equality, we have set bold goals. For instance, we are well on our way to achieving a genderbalanced workforce, with 50 percent women and 50 percent men, by 2025. In fiscal 2018, women comprised more than 42 percent of our global workforce. In March 2017, we announced a goal to increase the proportion of our women managing directors in our workplace to at least 25 percent worldwide by the end of 2020.

Globally, our mentoring, sponsorship and leadership development programs have helped us increase the representation of women among leadership and our promotion rates at the senior levels.

By the end of fiscal 2018, women accounted for:

- 22 percent of managing directors and 47 percent of our new hires.
- 29 percent of our executives (manager and above).
- 42 percent of our global workforce, up from 41 percent in 2017.
- · 25 percent of our Global Management Committee.
- 36 percent of our external board of directors, including our lead director.

According to our research, "Getting to Equal 2018: When She Rises, We all Rise," company culture is key to unlocking gender equality and narrowing the pay gap. Our research found 40 workplace factors that create a culture of equality—including 14 factors that matter the most—and modeled the potential impact of these factors on the gender balance of the workplace and on women's pay.

In addition to publishing our workforce demographics annually including gender—across key geographies, we disclose our gender pay gap data in the United Kingdom in line with new government regulations. We strive to ensure that all our people are compensated fairly and equitably from the moment we hire them through the milestones of their careers. We conduct rigorous analyses country by country, looking carefully at specific roles. If we identify a problem, we fix it.

Every year, we illustrate our commitment to gender equality by celebrating International Women's Day (IWD). In 2018, our IWD events united Accenture people, recruits, alumni and more than 2,500 clients across 250 events in nearly 50 countries to explore how digital technology is helping women advance at work and close the gender gap.

PRIDE: Advancing LGBT workplace equality at Accenture and beyond

For the fourth consecutive year, Accenture hosted a panel at the World Economic Forum (WEF) in Davos in January 2018, titled, "Getting to Equal: The Power of LGBT Inclusive Cities," in partnership with Open for Business, a nonprofit coalition that supports the economic business case for LGBT inclusion. Among other topics, panelists discussed a key piece of research sponsored by Accenture, "Open for Business: Strengthening the Economic Case," which suggests that LGBT-inclusive cities are better positioned to develop their global competitiveness due to stronger "innovation ecosystems," greater concentrations of skills and talent, and better quality of life.

To celebrate Pride Month 2018, we hosted our first-ever Instagram Live chat session, "Being Trans at Work." The program also featured a <u>fireside chat</u> with transgender advocate Dr. Vivienne Ming, and posts from our leaders and people on Facebook and our Careers portal. We closed out the month with the publication of "Getting to Equal: There's Strength in Pride"—thought leadership on how LGBT employees can thrive in a workplace of equality.

At the same time, we continue to foster partnerships between global and local PRIDE networks. Today, more than 40 countries have a local network—all represented by a local lead who acts as the driving force behind the program—and we grew our global community of LGBT allies to more than 110,000 people.

Additionally, in fiscal 2018, we extended our voluntary LGBT self-identification program to 17 countries, improving our ability to identify gaps in career progression.



Every year, our people celebrate Pride around the world. Accenture has local PRIDE networks in more than 40 countries.

Persons with disabilities: A focus on enablement and accessibility

Our emphasis on enablement means we seek to attract, develop and advance people with different abilities, perspectives and experiences. We prioritize accessibility for all, and over the past two years, we increasingly focused on the needs of our persons with disabilities. These efforts include public advocacy and the expansion of our internal programs.

Membership in our Global Persons with Disabilities Champions Network has more than doubled over the year—to more than 19,000 around the world. Additionally, our Accessibility Council comprises a group of senior leaders, including General Counsel & Chief Compliance Officer Chad Jerdee and Chief Information Officer Andrew Wilson, who help guide accessibility decision making.

In 2017, the Council set a new goal: all interactions of our people with Accenture software, devices, services and environment should be compliant with globally defined accessibility standards. As progress toward that goal, the Council established an internal Accessibility Center of Excellence (COE), aiming to ensure that all of Accenture's internal platforms are fully accessible for our people by end of calendar year 2019. Also, through the COE, we are working to improve our vendormanaged technology by assessing vendor-supplied tools against globally accepted guidelines. To achieve these goals, we work with vendors on their accessibility policies and pinpoint any necessary improvements to make tools fully accessible for all people.

Global recognition of International Day of Persons with Disabilities

This year, under the UN-designated theme of "Empowerment," Accenture people in more than 22 countries gathered to celebrate International Day of Persons with Disabilities. In France, our people hosted an innovative party concept based on the senses and designed to challenge deeply rooted misconceptions regarding disabilities. The office also sponsored three mental health workshops and a wellness day. In South Africa and Spain, our people hosted Experience-It events, providing mobility tools for people to experience first-hand various disabilities and increase their understanding and awareness.

EXPANDED FOCUS ON ACCESSIBILITY

We are determined to remove environmental, technological and external barriers that may limit a person's ability to perform in our workplace. To achieve this goal, we champion new solutions to business challenges, innovative thinking and opportunities for people to reach their full potential. Our 2018 thought leadership in this area includes:

- "Amplify You: How Accessibility Can Bridge the Digital Divide"
- "Amplifying Accenture People"
- "Getting to Equal: The Disabilities Inclusion Advantage"
- "The Accessibility Advantage: Why Businesses Should Care About Inclusive Design"

Accenture has experienced an increase in the number of our people self-identifying as persons with disabilities. Our latest US workforce demographics reveal that in 2017, 2,300 Accenture people self-identified, representing 4.5 percent of our US workforce. We continue to encourage people with disabilities to voluntarily share their status so we can better understand how to accommodate needs across the business.

Ethnic diversity: Ensuring a workplace where all backgrounds are welcome and accepted

Our people reflect the ethnicities, cultures and diversity of the global marketplace. This helps us stand out from the competition and drive creative and innovative solutions for our clients, among other benefits. Understanding the diversity of opinions, which may be influenced by a variety of ethnic and cultural backgrounds, improves the way we work together every day.

We are committed to recruiting, retaining, developing and advancing racially and ethnically diverse talent and helping them thrive in the workplace. This commitment is critical to helping us foster an inclusive workplace where each person's background and experience are welcome. Our inclusiveness helps ensure an environment of equal access for all ethnic groups is seamlessly integrated into our organizational initiatives and activities.

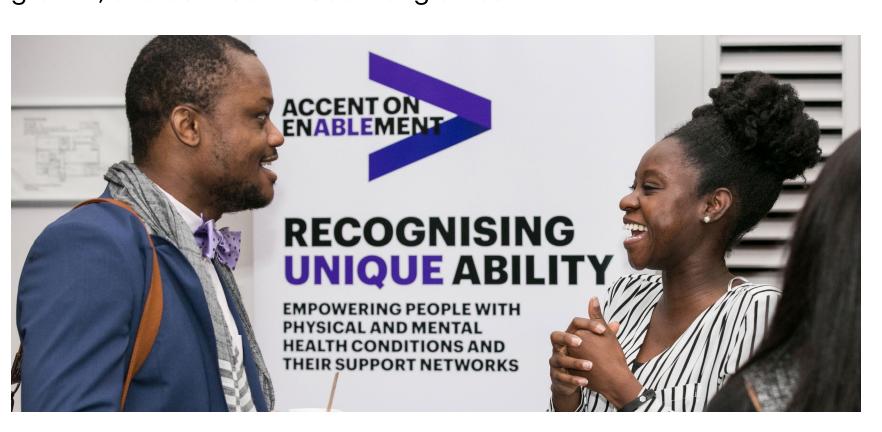
For example, in fiscal 2018, we:

- Launched the Accelerate Professional Development Program in the United Kingdom, a year-long program reaching more than 300 members of the Accenture African Caribbean Network.
- Held "Super Week" in the United States, where we delivered leadership training sessions to nearly 400 participants from across our African American, Hispanic American, LGBT and Women's communities.

 Enabled employees, across all geographies, to participate in mentorship programs, either through their employee resource group (ERG) or employee networks. These mentoring programs include formalized mentoring for all our people, as well as development of upwards mentoring for leadership.

ERG Leadership Summits

In the United States, the African American ERG and the Hispanic American ERG held multiple Leadership Summits. These regionally focused, two-day weekend events are designed to support and empower our people across the United States. The overall objective is to create a platform that allows African American and Hispanic American Accenture people to share best practices, develop, support and motivate each other for career growth and success. The Summits cultivate leadership potential at all levels, facilitate retention and growth, and connect ERGs among offices.



Networking at our Accelerate Professional Development Program in the United Kingdom.

Cross-cultural diversity: Building awareness and understanding

Understanding how to work in a cross-cultural environment is inherent to the unique way we conduct business at Accenture. Supported by training, shared best practices and workshops, we provide our people with the tools and learning opportunities to work more effectively across borders and to better understand each other and our clients from other cultures.

One such resource is GlobeSmart, which offers 24/7 online access to up-to-date information on global business effectiveness. Training options include an online course titled "Building Cross-Cultural Awareness," which focuses on how to maximize value with a multicultural team. In addition, we offer helpful tools for each country where we do business, designed to provide at-a-glance tips on regional diversity, including local customs, languages and other important cultural nuances.

Navigating across cultures

Many Accenture people participate in cross-location initiatives or work on global teams. We created "Navigating Across Cultures" to help our people understand the cultures of other locations. The program comprises a light-hearted interview, in which four employees from the same location each share their individual point of view on various topics and answer questions from a live audience. This allows the teams to view the cultural patterns of different locations, personalized by individual points of view. Accenture people from Argentina, China, India and the Philippines participated in the program in fiscal 2018, and we plan to expand the program in fiscal 2019.

Another example of our people-centric approach to cultural learning is our Building Bridges series. Through virtual and in-person sessions, we support and encourage our people to engage in honest dialogue about issues that some may find uncomfortable. Since its launch in 2016, we have held more than 15 sessions across the United States on important topics not often discussed openly at work, such as immigration, race, sexual identity and orientation, faith and being your authentic self.

Building Bridges also played a role in our 2018 efforts to embrace our diversity through a <u>Day of Understanding</u>, held in December at Accenture offices across the United States. The event was hosted by the CEO Action for Diversity & Inclusion, the largest CEO-driven business commitment to advancing diversity and inclusion within the workplace. CEO Action for Diversity includes more than 550 CEOs of the world's leading companies and business organizations—and Accenture is proud to be on the steering committee. The goal of this initiative is to work together to leverage our voices to advance diversity and inclusion in all of our workplaces.



The most important thing we can do for each other is to listen, to seek understanding and to reaffirm that this is a company that doesn't just tolerate and accept diversity, but truly celebrates it."

Accenture Manager Cincinnati, United States

VOLUNTEERING AND EMPLOYEE GIVING

Making an impact in the communities where we work and live

Volunteering is one of the many ways our people can fulfill a purpose, connect with their communities and make a difference while growing their careers.

In fiscal 2018, our people contributed approximately 854,000 hours to company-sponsored corporate citizenship activities during work hours, including pro bono consulting projects. Additionally, Accenture people gave more than 311,000 hours of their own time through Accenture-facilitated volunteer events. These valuable contributions add up to more than 1.1 million hours of giving back to the communities where we work and live.

Accenture people have the flexibility and freedom to choose when, where and how they give back, contributing their time and skills in whatever way works for them. Our dynamic, digital employee volunteering platform offers a variety of volunteering options including all our company-sponsored activities as well as our people's personal volunteer passions—broadening the volunteering experience to recognize all the ways our people can make a difference.

Additionally, we offer simple, on-demand virtual volunteering opportunities, which can be completed on a laptop, smartphone or tablet, and often in smaller chunks of time. During fiscal 2018, we invested in growing our virtual volunteering impact and adding new partners to scale our efforts. For example, through our partner Missing Maps, our people volunteered their time to help digitally map previously unmarked areas around the world to help first responders assist vulnerable people during disaster situations. To scale this effort, in fiscal 2018, we began a formal partnership with Humanitarian OpenStreetMap Team—a founding member of Missing Maps.

As we look to the future and our desire to grow volunteering, we continue to evolve the platform to better serve our people's interests and passions, improve global participation, track involvement and ensure that volunteerism is a common theme throughout the employee experience.

Leaders join national Sleep Out to end homelessness

Accenture people gave up the warmth and comfort of their own beds for a night on the streets in cities across the United States, including Atlanta, Chicago, Miami, New York, Oakland, Philadelphia and Washington, DC. The program was part of the national Sleep Out for Covenant House, a Skills to Succeed nonprofit partner. While braving the elements, our people learned first-hand about the hardships homeless people face and the daily struggle to lift themselves out of poverty. Together, our people raised approximately US\$250,000 for Covenant House and gained a new perspective and a deeper sense of empathy for those experiencing homelessness.

"There is no way we can fully comprehend the level of deprivation many people have experienced. However, we can learn to treat them as our brothers and sisters, and that all starts with a genuine, caring concern for others and with getting out there in the community and engaging, face-to-face, as a volunteer," said Nate Boaz, Group Operating Officer - Accenture Strategy.



Accenture volunteers across the United States spent a winter night on the streets to help end homelessness.

Music that moves solidarity

The Accenture Foundation in Spain collaborated with digital music service, Spotify, to create a unique funding competition geared toward social impact. Our people developed the 45 projects in the competition, then created a playlist on Spotify with the goal of gaining the most subscribers to be the ultimate winner for additional funding of €15,000. The winner was "La Azotea Azul," a project aimed at refurbishing a hospital's rooftop into an area for hospitalized children to play in a fresh air environment.

ACCENTURE IN NEW ZEALAND ACHIEVES 100 PERCENT VOLUNTEER PARTICIPATION OVER TWO CONSECUTIVE YEARS

The New Zealand Corporate Citizenship team has strived to achieve 100 percent volunteering participation in its various locations. The New Zealand Corporate Citizenship leads credit their twoyear goal achievement by having full leadership support, effectively co-sponsoring across locations, providing volunteers flexibility and emphasizing accountability.

ENVIRONMENT

Accelerating the shift to a low-carbon economy

A decade into our quest to lessen our environmental impact, thinking—and acting—sustainably is part of daily life at Accenture. We are committed to doing our part to protect the planet for future generations and to helping those around us pursue their environmental goals. By improving the efficiency of our operations, harnessing the innovative spirit of our people and developing new sustainability solutions, we aim to accelerate the global shift to a low-carbon economy and to lessen the effects of climate change.

Having achieved two of our 2020 environmental goals early, Accenture worked with key stakeholders to define the next chapter of our environmental journey. In December 2018, we announced our new science-based target, approved by the <u>Science-Based Targets Initiative</u>, to reduce our absolute greenhouse gas emissions (GHG) 11 percent by 2025 against our 2016 baseline. This includes a 65 percent reduction in scope 1 and 2 emissions, and a 40 percent per unit of revenue intensity reduction for scope 1, 2 and 3 GHG emissions over the same time frame. To date, we are the largest professional services company to make this type of commitment.

To meet our target, we will continue to develop responsible solutions for further sustainable growth and intensify our focus on the efficiency of our business operations. This includes reducing our energy use and switching to renewable forms of power, as well as addressing travel impact and supply chain sustainability.

Our environmental strategy focuses on three areas: running efficient operations to reduce emissions and other impacts such as waste and water use; engaging our people, leaders, partners and other stakeholders; and enabling client sustainability. Reducing our environmental impact is ingrained in our <u>Code of Business</u> <u>Ethics</u> (COBE) and our core values, specifically Stewardship. These inform our <u>Environmental Responsibility</u> <u>Policy</u>, which our <u>Environment Steering Group</u> established in 2007 and reviews annually.



RUNNING EFFICIENT OPERATIONS

From travel to renewable energy sources—our multifaceted approach

As a professional services company, our environmental footprint consists primarily of the greenhouse gas emissions we generate through travel and electricity use in our locations. We continue to explore innovative technologies and processes to decouple business growth from emissions growth.

Last year we realized a reduction of approximately 24,000 metric tons of CO₂ emissions from office electricity usage, thanks to our ongoing commitment to energy efficiency and increased investments in renewable energy. We also continue to address travel intensity and realized an approximately 14 percent reduction in per-person travel-related CO₂ emissions over fiscal 2017.

We take a multifaceted approach to driving operational efficiency, with an emphasis on using new technologies to manage our energy consumption, investing in renewable energy sources, harnessing analytics to reduce our impact, decreasing the intensity of travel, and continually accessing and disclosing environmental and climate-related risks.

Leveraging new technologies for energy management: Driving energy efficiency

We continue to make energy efficiency advances across our real estate portfolio, seeing improvements every year since fiscal 2010. In fiscal 2018, we achieved a more than 6 percent improvement in energy efficiency over the previous year. Since beginning our environmental journey in 2007, we have saved more than 1.57 million megawatt hours of electricity, more than 857,000 metric tons of CO₂ and generated more than US\$207 million in energy savings.

In fiscal 2018, our team in Turin, Italy, achieved a 60 percent electrical load decrease by installing more than 600 fluorescent fittings with LED luminaries across their office, incorporating daylight sensors near windows and internal motion detectors to help manage use. They also achieved overall energy consumption savings of more than 25 percent in fiscal 2018 compared to fiscal 2017.

Our Madrid office launched a pilot to improve their energy efficiency using "Intelligent Climate Platform" software, designed and built by Accenture's Liquid Studio team, to more effectively control air conditioning based on variable weather conditions, historical data and electricity prices. Preliminary results of the pilot show up to 20 percent energy savings.

Increasing renewable energy sources: Reducing greenhouse gas emissions, energy costs and our carbon footprint

Our renewable energy initiative—part of our supply chain sustainability strategy—aims to reduce our greenhouse gas emissions, energy costs and per-person carbon footprint. In fiscal 2018, approximately 24 percent of our energy came from renewable sources, allowing us to avoid more than 67,400 metric tons of CO₂ across our global operations.

We continue to monitor and plan for renewable energy purchasing opportunities within our most energy-intensive delivery locations, and have developed a renewable energy road map that will bring us closer to achieving our 2025 goals of reducing our scope 1 and 2 emissions by 65 percent against our 2016 baseline. We continue to centralize our energy purchases and have placed a greater emphasis on the management and tracking of the quality of renewable energy purchases. Although we do not own our offices, where possible, we have put standards in place to allow us to purchase our own energy from renewable facilities or to influence the landlord to purchase renewable power as part of lease negotiations.

To see our locations currently using renewable energy, visit our **Environment Impact Map.**

Saving carbon by reducing travel intensity and connecting virtually

Taking full advantage of collaboration technology not only lowers costs, it allows our teams to connect virtually, maximizes our return on investment and improves work-life balance.

Last year we avoided 37,000 more metric tons of CO₂ from air travel as compared to fiscal 2017—approximately a 10 percent year-over-year reduction.

While collaboration technology does help reduce our need for travel, it also poses its own challenge: technology upgrades that necessitate disposal of obsolete electronic waste (e-waste). We ensure that our e-waste is disposed of responsibly, using methods that avoid landfill, primarily through supplier reclamation and responsible disposal vendors.

Using analytics to reduce environmental impact and reshape behaviors

Accenture's Smart Spending program began as a review of employee spending in the United Kingdom and Ireland (UKI). This led to the creation of an Accenture data lake that allowed the business to evaluate employee expenses more effectively.

In fiscal 2018, we began transitioning UKI-driven reporting to the global CIO's Enterprise Insights team, which will enable us to make this tool available across geographic and business units. We also maintain regular communications and technology enhancements to drive continued awareness and action to reshape travel behaviors.



Collaborative technology helps reduce the need for travel.

Promoting energy-efficient transportation: Embracing electric and public transport

In Belgium, France, Luxembourg and the Netherlands, we are transitioning diesel and gas cars in our fleet to electric-powered vehicles and a more intense use of public transportation.

We also began a Mobility Awareness Program that provides our people a monthly carbon footprint report based on their travel habits. It incentivizes green behaviors by allowing them to finance a bicycle out of their pre-tax salary and providing an allowance for every kilometer traveled by bike for work-related reasons. In addition, we began a summer e-bike program, where people can try an e-bike commute for one month for free.

Ongoing efforts to assess and reduce environmental impact: Our certifications and commitments

As reflected in our **Environmental Responsibility Policy**, Accenture holds a range of industry-wide external certifications that demonstrate our commitment to being a responsible, sustainable business. Accenture is ISO® 14001 Environmental Management System-certified globally. ISO® 14001 is an international standard for organizations to minimize their environmental impact. It is a key credential for many of our clients and tangible evidence of our commitment to integrate robust environmental practices into our operations. Additionally, our ISO® 14001 certification sites serve as incubators for innovations that can be shared with other Accenture locations worldwide, such as installing smart meters in our facilities and piloting people-focused initiatives like our Travel Smart Challenge. To see our ISO®-certified locations and locations that use smart metering, visit our **Environment Impact Map**.

Assessing and disclosing climate-related risk: Accelerating the transition to a low-carbon economy

Accenture supports the recommendations of the industry-led Task Force on Climate-related Financial Disclosures (TCFD), urging companies to evaluate and disclose their climate-related financial risks. Timely implementation of these recommendations is a crucial step toward delivering on the commitments of the Paris Agreement and keeping global warming well below 2°C. Enhanced disclosure will allow us to better assess the financial impact of climate change and to support an orderly transition to a low-carbon economy.

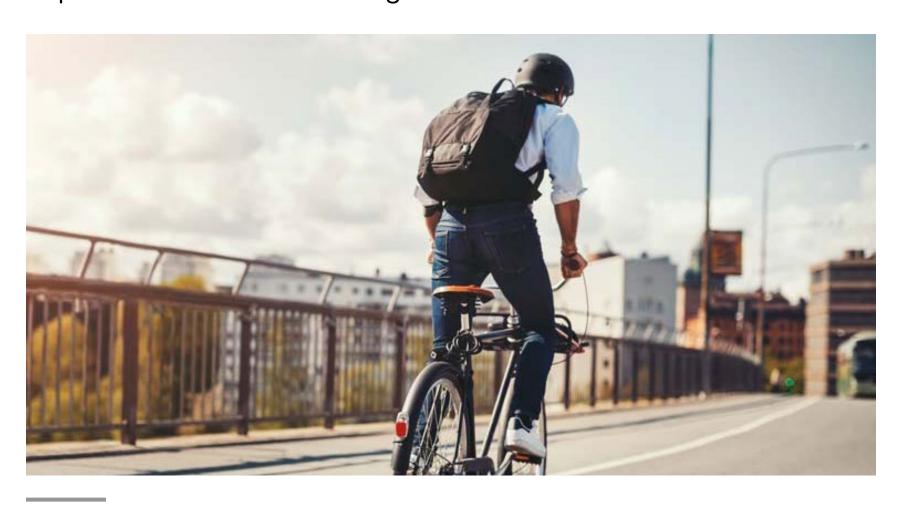
Every year since 2007, Accenture has reported our environmental performance to CDP, including our environmental risks, opportunities and methodologies on climate change mitigation and adaptation.

Beginning in 2017, in accordance with TCFD guidelines, we updated our <u>financial filings</u> to include the fiscal impact of these and associated risks. These include the increasing frequency and severity of adverse weather conditions, which may have an adverse effect on our people, facilities and operations. In addition, although Accenture is not a water-intensive company, we manage our water consumption closely with a special focus on regions affected by climate change-driven water scarcity. In areas not affected by drought or water shortages, we still monitor our water consumption to identify opportunities for efficiency improvement.

ENGAGING OUR PEOPLE

Harnessing the ingenuity of our workforce

Our people are passionate about protecting the planet. In fact, they are the driving force behind much of our progress in this space. Our Environment, Workplace, IT and Procurement teams bring our environmental strategy to life, collaborating with our global network of more than 10,500 Eco team members across 70 countries to promote eco-volunteering activities, including a mix of virtual and in-person events and challenges.



Our Travel Smart Challenge encourages Accenture people to reduce air and automobile travel.

Greener Than Game and Travel Smart Challenge

In 2018, Accenture expanded the Greener Than Game, an annual eco-initiative encouraging our people and locations around the globe to compete for the title of the "Greenest" at Accenture. In total, nearly 23,000 people participated in the online challenge. Competitors shared their eco-knowledge and actions with colleagues on gamified internal Accenture platforms to collect points and drive engagement.

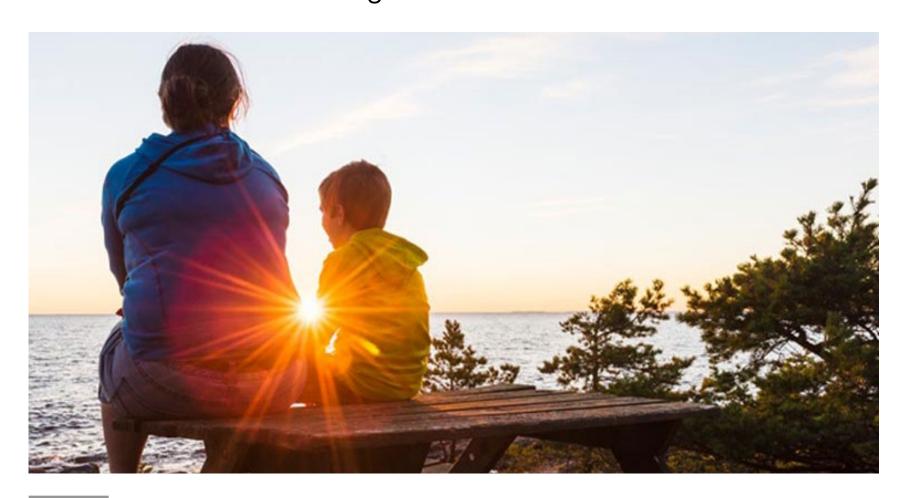
As part of the competition, individuals submitted innovative ideas for reducing their carbon footprint. The judges received nearly 2,300 submissions, ranging from new ways of reducing travel and energy consumption to creative strategies for improving waste management. The winning entry was a pop-up notification for laptops that alerts users when their battery is fully charged, with the potential to track energy savings and CO₂ emissions.

The competition also included our seventh annual Travel Smart Challenge, a six-week competition where our people creatively minimize air and road travel. Between Earth Day in April to World Environment Day in June, participants avoided more than 32,000 flights and 4 million miles of car trips, avoiding nearly 14,000 metric tons of greenhouse gas emissions and saving more than US\$22 million in travel costs.

ENABLING CLIENT SUSTAINABILITY

Collaborating for greater impact

Recognizing that no single organization alone can prevent the effects of climate change, collaboration is a critical component of both our environmental strategy and our client sustainability initiatives. In addition to reducing the environmental footprint of our own operations, we also help our clients define and achieve their sustainability goals through our commercial services and through research with external thought leaders.



Collaboration is key to addressing climate change and creating a more sustainable future.

Client Carbon Savings program: Creating solutions to cut carbon together

Our Client Carbon Savings program brings together our teams that offer commercial services, which help our clients meet their economic and sustainability goals, to share ideas and consolidate the impact of these emissions-reduction activities.

In fiscal 2018, through our Energy Management-as-a-Service (EMaaS) offering, we identified potential savings for our clients of more than 2.61 million metric tons of CO₂ and nearly US\$526 million and implemented strategies to help them save a cumulative 301,000 metric tons of CO₂ and more than US\$12.4 million.

To date, the EMaaS and Zero-based services have led our Client Carbon Savings program. We acknowledge our robust service offerings—for example those that help clients transition to the cloud, also help reduce emissions. However, we are still working to identify a consistent and reliable way to measure our impact. In fiscal 2019, we will continue to explore new approaches to grow this program further.

Convening partners and clients for climate solutions: Modeling responsible stewardship

Climate action is one of the most pressing issues of our time and the shift to a low-carbon economy will require collaboration between businesses, governments and nongovernmental organizations around the world. We are committed to working side by side with our clients and other key stakeholders as responsible stewards of the environment.

Highlights from 2018 include:

World Economic Forum initiatives:

- In November 2018, then Chairman & CEO Pierre Nanterme signed an open letter from the World Economic Forum's (WEF's) Alliance of CEO Climate Leaders proclaiming that while climate change is a major threat to our environment, societies and economy, endangering our well-being and prosperity, achieving a flourishing low-carbon world is still possible—if we take action now.
- Manufacturing, crucial for economic growth and prosperity, often consumes high levels of resources and generates large amounts of waste. In 2018, Accenture Strategy partnered with WEF to publish a new white paper, "Accelerating Sustainable Production." The paper found that an investment in sustainable innovation represents a US\$5 billion annual opportunity for the automotive and electronics industries in Andhra Pradesh, India. According to Accenture and WEF leaders, the purpose of the white paper is to foster public-private collaboration that can accelerate the transformation toward more competitive and sustainable production systems.

XPRIZE:

Each year, XPRIZE calls on innovators from around the globe to design a prize related to a series of pressing challenges in the areas of space, oceans, learning, health, energy, environment, transportation, safety and robotics. Known as the XPRIZE Grand Challenge, the competition aims to bring awareness to major social and environmental issues and to create a more sustainable world though technological innovation.

In 2018, an international team from Accenture won the challenge by devising a new competition in the Saving the Coral Reefs category, which will task participants with identifying a method of planting 500,000 corals, while solving for the impact of climate change. The team is currently working with XPRIZE to secure funding for the competition, which ultimately could help address coral reef die-off.



Team Accenture is X-cited to win the XPRIZE Grand Challenge.

CASE STUDY



Heineken: Helping reduce CO, emissions

Accenture worked with Heineken to help start the groundwork needed to deliver against its ambitious goal to reduce global carbon emissions.

Client challenge

As one of the top three global brewers, Heineken is committed to reducing its carbon emissions everywhere it operates. Heineken's CEO has joined the World Economic Forum's Alliance of CEO Climate <u>Leaders</u>, and the company has launched "Drop the C," a transformational program aimed at significantly reducing CO₂ emissions across all areas of its business—with the goal of growing its share of renewable thermal energy and electricity in production to 70 percent by 2030.

Solution

In just four months, Accenture helped Heineken develop a unified global carbon-reduction road map to achieve its ambition, including specific targets and projects for its 19 operating companies consolidated into a single global dashboard. Accenture and Heineken identified that some operating companies were already very mature in specific areas of renewable energy and initiated the contact with less mature operating companies to increase knowledge exchange within Heineken. Furthermore, Accenture supported Heineken with energy sourcing, budgeting and validation of "green" credentials across multiple countries.

Result

Heineken now has a clear road map and centralized approach for rolling out renewable energy in production, putting the company on track to deliver the targets set out in its Drop the C initiative by 2030. Accenture will continue to be involved in supporting Heineken toward a lower-carbon future.

SOCIAL INNOVATOR Jaroslav Saxa Senior Manager - Accenture Technology Bratislava, Slovakia

SUPPLY CHAIN

Driving cultural change and shaping the future of procurement

With a multi-billion-dollar supply chain, Accenture has the purchasing power to drive positive change on a global scale, creating a more economically inclusive world and helping to shape the future of procurement. Our ambition is to shift the culture of buying both inside and outside Accenture, while generating long-term value for our clients, our suppliers and our communities.

Because our supply chains are short, with only a few tiers for most of the goods and services we buy, we can work closely with our suppliers to promote shared values. Through our Procurement Plus approach, we work with both large and small suppliers at every stage of the procurement process to advance key priorities, such as sustainability, inclusion and diversity, human rights and innovation.

Procurement Plus is more than just a responsible buying program; it is the overarching philosophy that informs how we approach every aspect of our supply chain, including key initiatives such as our award-winning Supplier Inclusion & Sustainability Program. Procurement Plus touches each of our six main purchasing categories—contractors; HR and professional services; IT and telecom; marketing and communications; travel and mobility; and workplace and facilities. This integrated approach sets us apart from our

competitors, highlighting our unique business partner focus, ventures and acquisitions, risk analysis, and payables and investment steps. At the same time, it brings our teams, suppliers and clients closer together, helping us shape smarter, cost-competitive solutions and reinforcing our role as a trusted advisor and partner.

To learn how our approach is influencing the broader marketplace, see the Bristol-Myers Squibb sidebar later in this section.

Evolving our ethical procurement strategy: Setting high standards and driving meaningful change

Our leaders, people, clients and business partners want to know that we manage our procurement process responsibly, including where and how we create or source our goods and services. We set high standards for the way we conduct business, and we require suppliers across all procurement categories and stages to adhere to Accenture's Supplier Standards of Conduct or to make an equivalent commitment. We continue to improve our compliance procedures, leveraging our global reach to drive meaningful change in areas such as human and labor rights.

As with our **COBE**, our Supplier Standards of Conduct reflect our core values and our commitment to the 10 Principles of the United Nations Global Compact (UNGC). Published in 20 languages, these Standards outline the labor criteria to which our external suppliers must adhere and require compliance with all applicable laws and regulations. We continue to evolve our global Supplier Standards of Conduct in line with our approach to continuous improvement. This is particularly important as part of our efforts to encourage payment of living wages and eliminate modern slavery and human trafficking within our supply chains.

In fiscal 2018, as part of these ongoing updates to our Standards, we:

- Clarified our expectations of our suppliers around modern slavery or involuntary labor, including comprehensive provisions around contractual notice periods and the appropriate recovery of training costs.
- Added new language explicitly prohibiting Accenture suppliers from withholding employees' identity or immigration documents or allowing workers to be charged recruiting fees.
- Clarified our prohibition around child labor, particularly that Accenture suppliers must not employ individuals whose age qualifies them for compulsory education. We do not prohibit our suppliers from offering workplace apprenticeships, work experience or internship programs, provided that these programs comply with applicable laws.
- Included a new provision that strongly encourages all suppliers whose people directly provide services to Accenture and/or its clients to commit to paying all such people a living wage that is higher than the legal minimum wage requirement and that factors in relevant actual living costs.

Since 2017, Accenture has published a Modern Slavery Act Transparency Statement for our UK business, and we continue to update the **statement** annually. We actively engage with the UNGC UK Network's Modern Slavery Working Group.

We also continue to look for opportunities to work with our key partners and suppliers in this important area. For instance, this past year, we also worked with global leadership at Jones Lang LaSalle, a major supplier of facilities management services to Accenture in India and the Philippines, to better understand our exposure and the protections they have in place to prevent modern slavery and human trafficking in their operations.

We are also active participants in the UNGC's Decent Work in Supply Chains Action Plan Program and have recently signed the Decent Work in Global Supply Chains Commitment to Action to advance the Sustainable Development Goals—adhering to the International Labour Organization's (ILO) Fundamental Principles and Rights at Work and the UN Guiding Principles on Business and Human Rights. Accenture contributed to the Decent Work initiative's 2018 report, which explores challenges and opportunities companies face in their efforts to develop more sustainable and ethical procurement strategies.

As part of our wider commitment in this area, Accenture is driving the adoption of a living wage with our supplier community. Through our revised Standards, we now strongly encourage all our suppliers to pay a living wage to their people who directly provide services to Accenture and/or our clients. In 2018, we reviewed more than 36,000 of our managed contractors across 10 countries, finding discrepancies in fewer than 2 percent of cases; these have since been remediated.

Driving supplier sustainability: Advancing environmental performance

We are committed to advancing sustainable procurement practices both within and outside Accenture. To that end, we expect our suppliers to provide updates around their environmental initiatives, goals and impact, and we encourage local and regional teams to discuss sustainable procurement during their regular supplier meetings. By educating our suppliers on the benefits of sustainability, we are increasing the number that monitor, measure and communicate their environmental impact.

As a corporate member of <u>CDP's Supply Chain program</u>, we use CDP tools to promote engagement, transparency and sustainable business practices with our suppliers. Since 2010, we have invited a select group of suppliers to respond to CDP's Supply Chain self-assessment questionnaire each year. Gathering information in a standardized way helps us gain a better understanding of each supplier's environmental practices. It also supports Accenture's 2020 goal to measure and report the impact of our sustainability initiatives with clients and suppliers, and formalizes our efforts to advance supplier emissions disclosure.

Over the years, Accenture has significantly increased the number of suppliers we ask to participate in CDP's reporting program. Generally, our suppliers have been more engaged than the average of other companies' suppliers—in 2018, 81 percent of our suppliers participated, well above CDP's global average of 68 percent.

We also made progress toward our 2020 goal of having 75 percent of our key suppliers disclosing their carbon-reduction targets and reporting on the actions they are taking to reduce emissions. In 2018, more than 74 percent of our suppliers disclosed their targets, and more than 80 percent disclosed the actions and initiatives they are taking toward emissions reduction. Of the more than 5,000 companies that participated in CDP's supply chain program in 2018, Accenture earned a Supplier Engagement Rating of "A" and was among the 3 percent that earned a spot—for the second consecutive year—on the Supplier Engagement Leader Board—an honor reserved for companies that are engaging with their suppliers to manage carbon emissions and address climate-related issues across their supply chains. More information is available in CDP's Global Supply Chain Report 2019, "Cascading commitments: Driving upstream action through supply chain engagement."

IMPLEMENTING SUPPLIER DIVERSITY TO CREATE CULTURAL CHANGE

Our award-winning Supplier Inclusion & Sustainability Program has garnered great interest from our clients and other stakeholders. In fiscal 2018, we mobilized a Diversity Day for Barilla, an international foods company, complete with unconscious bias, guest speakers and first-hand insights from members of our Procurement Plus team. Our Barilla clients were impressed and subsequently asked for help creating a journey of what good looks like when implementing supplier diversity. As part of this process, we helped the company start mapping its supplier landscape and develop strategies that will enable a more diverse procurement pipeline.



Barilla aspires to be a market leader in supplier diversity and inclusion. The Accenture team helped us reimagine our approach and identify new ways to connect and work with diverse suppliers, for example, women-owned suppliers, LGBT, social enterprises and so on. Our hope is that this new approach, which started with a Procurement training day, will further drive cultural change within our company, and also help us collaborate with our suppliers and peers."

Luigi Ganazzoli **Purchasing Vice President - Barilla**

Advancing supplier inclusion and diversity: Creating value, championing change and empowering communities

We believe inclusive procurement practices create long-term value for our clients and our communities, while helping us remain agile, disruptive and ahead of the market.

Our Supplier Inclusion & Sustainability Program, which reaches 18 countries, allows us to drive a more-inclusive and empowered marketplace. By incorporating diverse businesses into our supply chain, we gain access to innovative, responsive and cost-competitive supply solutions for our clients. This is particularly true of our professional services suppliers and contractors, who make up the majority of our procurement spend. At the same time, we help Accenture's suppliers grow their representation and influence in their own markets.

Although inclusive procurement is a global priority for Accenture, we monitor our diverse spend most consistently within the United States. In fiscal 2018, our total US procurement spend with diverse suppliers (minority-, women-, small- and medium-sized, service-disabled veterans, veteran, historically underutilized and lesbian, gay, bisexual and transgender (LGBT) enterprises) exceeded 30 percent.

In South Africa, we are committed to leading the way with supplier inclusion, aiming to go above and beyond requirements in the Broad-Based Black Economic Empowerment (B-BBEE) Act. In fiscal 2018, Accenture received the highest-level ranking, level one, up from level two the previous year.

In 2018, our procurement spend with black-women-owned enterprises in South Africa reached 36 percent against the B-BBEE target of 12 percent, while our spend with small- and medium-sized enterprises grew to 39 percent against a target of 30 percent. Our procurement spend in South Africa with black-owned vendors was 36 percent, slightly below the target of 40 percent due in part to significantly tightened definition of empowered suppliers and because some of our suppliers moved to a higher revenue category.

LEADING THE WAY: TOP AWARDS AND RECOGNITIONS

- In fiscal 2018, DiversityInc recognized our efforts by ranking Accenture No. 1 on its Top Companies for Supplier Diversity list, marking our seventh consecutive year on the list and our first in this spot.
- Accenture was recognized by the <u>National Business Inclusion</u> Consortium, led by the National LGBT Chamber of Commerce, as one of the 2018 Best-of-the-Best Corporations for crosssegment diversity and inclusion efforts.
- Kai Nowosel, Accenture's Chief Procurement Officer, was named the 2018 Chief Procurement Officer of the Year by the United States Pan Asian American Chamber of Commerce Southeast Region.
- Accenture received a perfect score—100 percent—on Disability: IN's Disability Employment Index for the second consecutive year.
- Accenture was recognized among America's Top Corporations for Women's Business Enterprises by Women's Business Enterprise National Council (WBENC).

Diverse Supplier Development Program: Expanding relationships and opportunities

Accenture's <u>Diverse Supplier Development Program</u> (DSDP) reflects our commitment to developing and expanding relationships with businesses owned by ethnic minorities, women, persons with disabilities, members of the LGBT community, veterans and other diverse entrepreneurs. The 12- to 18-month program matches senior Accenture executive mentors with diverse supplier "protégé" companies to help them grow their businesses. We are paying particular attention to vendors that have Al and other innovative skills that we would consider in the New.

As of fiscal 2018, 144 diverse suppliers had graduated—23 in Canada, 13 in South Africa, 22 in the United Kingdom and Ireland, and 86 in the United States. Our goal is to graduate 170 diverse suppliers by fiscal 2020, and we have plans to graduate multiple classes in Canada, South Africa, the United Kingdom and Ireland, and the United States in fiscal 2019.

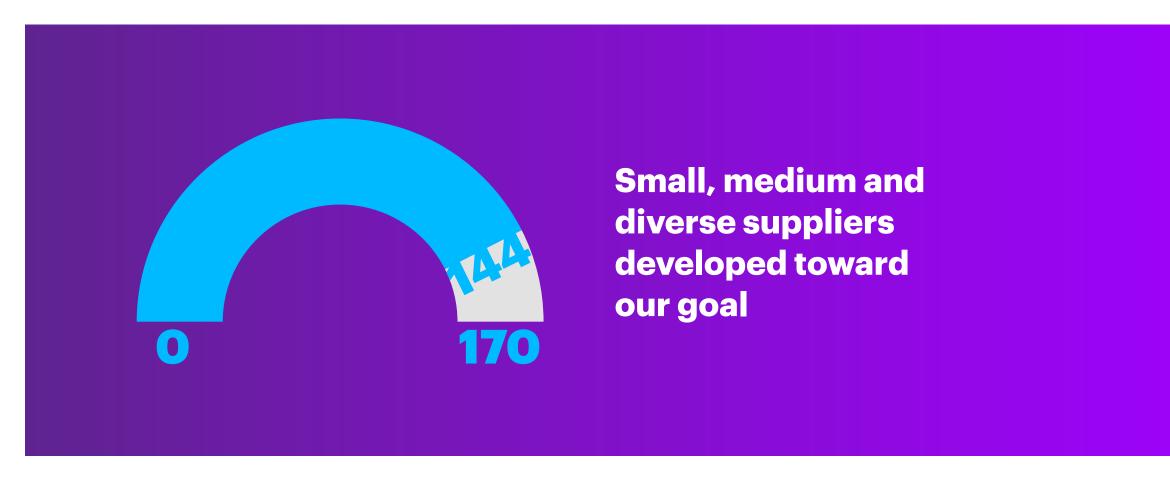
We are also strategically expanding DSDP to focus on geographies that are key to enabling our business and those of our clients. We plan to expand into India and Latin America in 2019.

WATCH A VIDEO

We support—through our Procurement leaders serving on Boards and in other capacities—various diversity groups around the world, including Canadian Aboriginal & Minority Supplier Council, Disability: IN, Global Supplier Diversity Alliance, Greater Women's Business Council, Minority Supplier Development UK (MSDUK), National Minority Development Council in the United States, National Council, WEConnect International, Women Business Enterprise Supply Nation and others.

For example, Accenture is helping MSDUK, a leading nonprofit membership organization in the United Kingdom aimed at advancing supplier diversity, to develop a procurement ecosystem that nurtures diverse suppliers from the ground up, creating shared value for our businesses.

WATCH A VIDEO



Supporting an inclusive labor market: Finding new ways to empower people

Accenture is proud to be a corporate leader in inclusive procurement practices, and we continue to explore new ways and opportunities to promote the inclusion of persons who may be excluded from the labor market for physical, social or cultural reasons. This includes minority-, ethnic- and women-owned businesses and persons with disabilities, visible or otherwise; veterans; refugees; people living away from economic centers; and LGBT persons. We support these groups not only through direct recruitment, but also through agreements with our facilities' vendors and in collaboration with for-profit and nonprofit organizations.

One challenge we face is identifying women-owned businesses that have—or want to develop—the capacity to meet our procurement standards. To help address this issue, we connect women entrepreneurs with WEConnect International, which empowers women to succeed in global markets by providing training and certification opportunities. We co-founded and have representation on the Board of WEConnect International, and Accenture now collaborates with the organization in 16 countries across Africa, Asia Pacific, Europe and Latin America. WEConnect International programs aim to level the procurement field and integrate more women-owned enterprises into the supply chain.

In 2018, we co-sponsored the launch of WEConnect International in Japan, which included an inaugural conference at which Satsuki Katayama, Minister of State for Gender Equality, Minister in Charge of Women's Empowerment and Minister in Charge of Regional Revitalization voiced Prime Minister Shinzo Abe's commitment to ensure that corporations work with women-owned businesses.



Accenture's Procurement Plus team members pose with clients at the launch of WEConnect International in Japan.

In 2017, Accenture joined WEConnect and several other global companies and pledged to spend US\$100 million globally with women-owned businesses over three years, including \$50 million of this spend in developing countries. At the 2018 Global Citizen Festival in Johannesburg, Accenture made an additional commitment to emphasize procurement spend on women-owned businesses in South Africa.

BUILDING A 21ST-CENTURY WORKFORCE

To develop transformational medicines and help patients around the world overcome serious diseases, <u>Bristol-Myers Squibb</u> (BMS) understands the need to develop a powerfully diverse, broadly inclusive 21st-century workforce. To support this goal, Accenture is working with the Differently Abled Workplace Network People and Business Resource Group (DAWN-PBRG) at BMS to foster an inclusive work environment where employees with disabilities are valued and respected equally with others. In 2018, Accenture collaborated with Rondu Vincent from BMS Global Procurement, Mike DiNovi from BMS IT, and Rangam Consultants, Inc., a minority and women-owned and disability-owned supplier and DSDP graduate, to onboard three team members on the autism spectrum to our New Jersey-based BMS team utilizing Rangam's SourceAbled program. We then conducted autism awareness training and created position profiles, new hire checklists and other materials to meet our differently abled team members' needs and bring them into a safe and supportive environment.



Members of Accenture, BMS and Rangam teams work together to build a 21st-century workforce.

The impactful work we are doing for disability and inclusion could not be realized without strong partners who share similar goals, and I want to formally acknowledge our partner Accenture and Rangam's SourceAbled Program for making this possible."

Rondu Vincent BMS Global Supplier Diversity Lead



DHL: Fighting counterfeit pharmaceutical goods with blockchain

Accenture helped logistics company DHL to improve the safety and security of supply chains.

Client challenge

According to Interpol, as many as 1 million lives are lost each year due to counterfeit medications. Additionally, an estimated 30 percent of pharmaceutical products sold in emerging markets are counterfeit. DHL believed blockchain technology could ensure product integrity and profoundly improve safety standards by enhancing transparency and traceability in supply chains, with the goal of ultimately saving lives.

Solution

DHL partnered with Accenture to develop a proof-of-concept using blockchain to track and trace pharmaceutical products from manufacturing to delivery to patients. The solution integrates all parties across DHL's logistics supply chain, including manufacturers, pharmacies and end consumers. Every party records each step on the blockchain, and at the point of purchase, the end consumer can independently validate that their medication is legitimate and safe to consume.

Result

The project illustrated blockchain's ability to capture all logistics activities relating to medication—from production to purchase—and ensure information security, transparency and immediate availability. The project successfully demonstrated blockchain's use in the fight against counterfeit pharmaceutical goods by simulating processing of more than 7 billion unique pharmaceutical serial numbers and more than 1,500 transactions per second.

WATCH A VIDEO

ETHICS & GOVERNANCE

Conducting business responsibly

We are on a journey with our clients to navigate an exciting but uncertain digital future. Long-standing business models are being challenged, and trust—among consumers, employees and citizens—is eroding. Ethics can determine a company's future and are essential to conducting business responsibly.

A commitment to ethics, human rights and strong corporate governance are key elements of Accenture's business strategy and are essential for growth, market differentiation and safeguarding our people, clients, brand and financial performance. It is the foundation on which we build trust.

This trust is evident in our enduring relationships with our clients. Our business is rooted in long-term associations—97 of our top 100 clients have been with us for a decade or more.

Across our business and operations, we demonstrate our commitment to behaving ethically as a supporter of labor and human rights. We also uphold this commitment as a LEAD member of the United Nations Global Compact (which we signed in January 2008) and by adhering to the United Nations Guiding Principles on Business and Human Rights.

Through our efforts, we continue to shape our organization as a responsible business while maintaining a highly ethical culture. In fact, our Ethics & Compliance program has helped earn Accenture a spot on Ethisphere's 2019 World's Most Ethical Companies list. We are proud that this is our 12th consecutive year on the list, recognizing our unwavering dedication to ethical leadership, compliance practices and corporate citizenship.



Creating an ethical culture: Leading with integrity

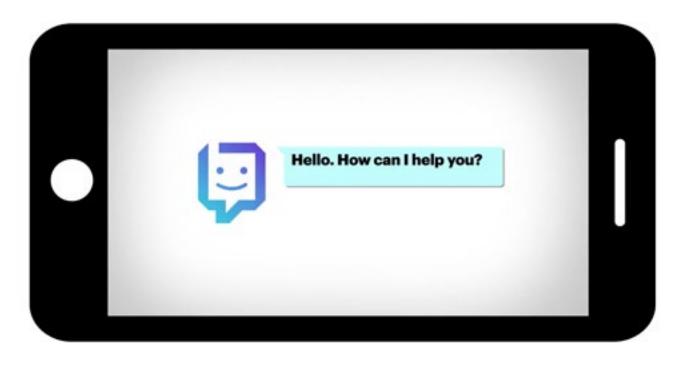
In today's evolving business, legal and regulatory landscape, making good decisions requires careful and deliberate consideration of a host of complex factors, including the extended consequences of a proposed action. That is why it is vital to have both a well-defined Code of Business Ethics (COBE) and a straightforward way to help our nearly half million people access the information they need to make ethical decisions. As we foster an ethical culture, in addition to identifying evolving legal requirements and assessing emergent risks, our ongoing challenge is to help ensure that all our people consistently model appropriate behaviors.

So that our people can better understand and fully engage with our COBE, Accenture offers a wide range of resources, including annual required Ethics & Compliance trainings, an ethics helpline and an on-demand chatbot. In fiscal 2018, we upgraded our COBE chatbot platform by adding new analytics, AI and machine learning capabilities to improve language processing and ongoing knowledge acquisition. These capabilities help surface real-time trends that allow us to tailor responses and identify new topics and training opportunities, while still preserving user anonymity.

We continue to evolve our required COBE training with short, visually engaging, interactive and frequent courses. Individuals must complete all required Ethics & Compliance training by July 31 each year to be fully eligible for year-end rewards (as permitted by law). In fiscal 2018, we achieved completion rates of more than

98 percent across all our employees. We also achieved higher satisfaction rates than in the past; our people said they like the shorter, more frequent "snackable" courses—including new Human Rights and Corporate Citizenship training—that presented relevant examples and scenarios in an upbeat, positive way.

We encourage our people to speak up about disrespectful, inappropriate, unethical or illegal behavior of any kind, and we have zero tolerance for retaliation against anyone who speaks up in good faith. Accenture takes all concerns raised—whether to a supervisor, career counselor, an Accenture Leader, or Human Resources or Legal representative—seriously. Concerns also may be reported anonymously, where legal restrictions allow, to the **Accenture** Business Ethics Helpline 24 hours a day, seven days a week.



Our COBE chatbot helps our people make ethical decisions.

Conduct Counts: Guiding our people's behavior

The first fundamental behavior featured in COBE is "Make Your Conduct Count," which articulates five locally relevant yet globally applicable standards to guide our people's behavior across our unique and diverse "culture of cultures." This framework creates a foundation for a respectful, inclusive and ethical environment that helps us inspire top talent, while protecting our people and our brand.

We believe these ethical behaviors are critical to the success of our business, and we monitor the ethical environment at Accenture by periodically administering anonymous surveys. In early fiscal 2019, we conducted a global survey, which showed more than 90 percent awareness of our five global behavioral standards. We plan to implement the survey globally at least every two years, driving ongoing improvements to our program.

We believe local actions create global impact. We are pleased to see continued adoption of Conduct Counts across our geographies, with local leaders embracing the program, encouraging improvement of our professional environment, and visibly modeling good behavior and setting the "tone from the top." Our Country Managing Director Advisory Council, comprising leadership representation from across the globe, participates in quarterly Conduct Counts calls to provide perspective, offer guidance on local needs, create geographic synergy and serve as a sounding board for priorities and new initiatives. The result is that our people are more willing to share their experiences and more likely to see their situation improve when they speak up.

Human rights: Supporting and respecting the rights of all people

Accenture's core values, including our commitment to doing business ethically, legally and with integrity, are the foundation of our company's culture.

Our long-standing commitment to internationally recognized human rights touches every aspect of our business and requires the full participation and support of our leaders, people and suppliers. As stated in our COBE, we focus our efforts on areas most relevant to our business and operations in terms of potential human rights impact: diversity and equal opportunity; employment conditions and working practices, including the elimination of human trafficking, slavery, servitude and forced or compulsive labor; abolishing child labor; maintaining a respectful environment for our people (through COBE and Conduct Counts) and respecting the rights of our people; health, safety and security; supply chain; data privacy and anticorruption.

Our clients and other stakeholders look to us for transparency regarding our human rights commitments and policies. Some of our key global policies are publicly available to show how we drive salient human rights within our organization. These include: Raising Legal and Ethical Concerns and Prohibiting Retaliation and Prohibiting Human Trafficking, Forced Labor and Child Labor.

Accenture also adheres to relevant international instruments and documents, including the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights.

We continue to review our human rights efforts across our operations, as well as best practices in the marketplace, to understand how we can further strengthen our commitment. If it is unclear how to apply the law consistent with our human rights principles, we use good judgment consistent with our core values and COBE to support and respect the principles of internationally recognized human rights.

Digital responsibility: Building trust in the digital age

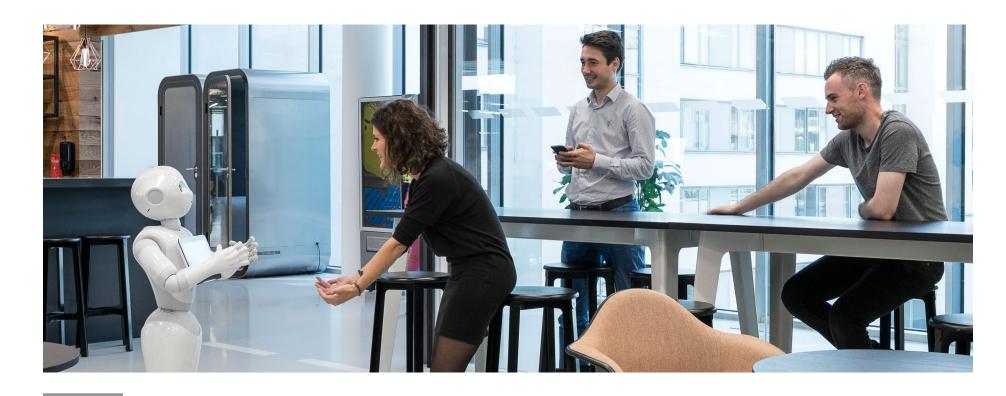
The ability to continually build trust in long-standing business models, which has been diminished in part due to continual technology change, is critical for organizations, individuals and societies to innovate safely and grow confidently in the digital economy.

At Accenture, we recognize that safeguarding the data of our clients, our company and our people is one of our most important responsibilities. We are continually evolving our approach to information security and data protection, identifying new threats and driving appropriate behavior to reduce the likelihood and impact of attacks. Everyone at Accenture has a responsibility to demonstrate effective data management practices in accordance with our company policies, including our **Data Privacy Statement** and procedures.

In addition to complying with globally recognized privacy principles, best practices including ISO® 27001:2013 certification from the British Standards Institution (BSI) and regulations including the European Union's General Data Protection Regulation (GDPR), we also continue to lead the way by expanding our focus beyond legal

compliance to broader management accountability and data ethics. Internal initiatives, including our Client Data Protection program, which dictates how we protect our clients' sensitive information and comply with regulatory requirements, help us optimize our risk resilience. BSI has recognized our work in this area, rating us as a "Role Model" (the highest rating) for all National Institute of Standards/U.S. Department of Commerce Cyber Security Framework categories. Further, Accenture adheres to GDPR, designed to modernize and unify data privacy laws across the European Union—protecting and strengthening individuals' rights. Accenture applies GDPR as our worldwide data privacy standard.

In addition to deploying internal technologies, controls and practices that protect Accenture, our people and our clients, we work with Accenture Security to deliver comprehensive security solutions spanning strategy development, risk management, cyber defense, digital identity, application security and managed security services to our clients.



At The Dock in Dublin, our team researches how Pepper, a humanoid robot, can use Al to improve the future of health care.

Our commitment to digital responsibility also means ensuring that we adopt—and help our clients adopt—new technologies, including AI, in an ethical manner. Al—systems that act by sensing, interpreting data, reasoning and deciding the best course of action—is transforming the relationship between people and technology, and creating innumerable benefits for society. However, the rapid advancement of this technology is also raising ethical challenges. To protect employees, clients and society, companies need to establish tools and guidelines to ensure that their AI systems are safe, transparent and verifiable. For instance, Accenture's COBE includes parameters around the use of AI.

When AI is designed within an ethical framework, prioritizing both human and machine, it accelerates the potential for responsible collaborative intelligence, where human ingenuity converges with intelligent technology. This creates a foundation for trust with consumers, the workforce and society and drives massive boosts in business performance that will unlock incredible new sources of growth.

At Accenture, we define Responsible AI as the practice of using AI, with good intention, to empower employees and businesses and to fairly impact customers and society, allowing companies to engender trust and scale Al with confidence. To help guide our Al-related initiatives across our own operations and with clients, Accenture has established an AI-specific code of ethics and business values built around the acronym T.R.U.S.T. in AI:

- Trustworthy AI that is safe, honest and diverse in perspectives, thereby earning the trust of employees, customers and society.
- Reliable AI that enables enhanced judgment and makes better decisions based on a diverse set of key values incorporated in a client's algorithms.
- Understandable AI that allows for transparency and interpretability in decision making.

- Secure AI that maintains the privacy and security of company and customer information and data.
- Teachable AI with a human-centric design, aiming for humans and machines to co-create, inform and educate one another.

We have also developed a set of operational, technical, organizational and reputational Responsible AI Requirements that serve as the blueprint for companies looking to embrace a Responsible AI operating model. Based on each company's customized principles and requirements, Accenture offers suites of tools to fast-track organizational adoption across all functions of the business.

WATCH A VIDEO

USING AI TO ELIMINATE BIAS

Al touches so many aspects of our lives, and the decisions it makes has created real-world consequences. To help businesses feel confident that they are deploying AI responsibly, Accenture is creating a revolutionary "Fairness Tool" that will remove unacknowledged biases in algorithms or datasets that could lead to unethical decision making. The goal is to identify and address ethical problems before they have the chance to inflict any harm on individuals or companies.

The importance of anticorruption programs: Acting with honesty and integrity

Accenture is committed to conducting business ethically. Our COBE and related anticorruption policies, both part of our global Ethics & Compliance program and human rights efforts, require our people, business partners and suppliers to comply with the anticorruption laws everywhere we do business, including:

- The US Foreign Corrupt Practices Act (FCPA).
- The Organization of Economic Cooperation and Development Convention on Combating Bribery of Public Officials in International Business Transactions.
- The United Nations Convention Against Corruption.
- The UK Bribery Act.

We are a member of the World Economic Forum (WEF) Partnering Against Corruption Initiative, which unites companies through a zero-tolerance policy toward bribery and corruption in any form. This policy applies to all Accenture people working for any Accenture entity in any country, and to the many ways we develop, implement and maintain our broad-based anticorruption program.

We continually assess and refine our Ethics & Compliance program, including how we train our people. Our innovative approach provides a baseline of training to all Accenture people, with additional training for individuals in higher-risk roles, including in-person training with local members of the Legal team in high-risk markets. As part of our Ethics & Compliance training, new anticorruption courses are shorter and leverage multimedia content and other enhancements to make them more engaging.

In fiscal 2018, we built an innovative "compliance hub" that centralizes Accenture's compliance-related applications onto one platform to provide efficiency gains, improve cross-compliance collaboration, enhance analytics and deliver additional reporting capabilities. The platform includes an anticorruption portal to obtain approval before providing gifts, meals or entertainment to public officials, as well as an export compliance tracking tool. In fiscal 2019, we will add additional anticorruption tools, including the Government Compliance Hub to streamline tracking Accenture's engagements with government clients. Additional compliancerelated applications will be added over time, including adding the Business Intermediary Portal to onboard certain third parties.

In the past year, we again worked with outside counsel—including the former head of the U.S. Department of Justice's Foreign Corrupt Policies Act division—to conduct a health check to assess the risk of our anticorruption program. The assessment confirmed that Accenture's compliance program continues to be among the mostadvanced and forward-thinking programs in the world.

Corporate governance: Adhering to best practices and policies

Accenture's corporate governance matters are described in our Proxy Statement, filed with the U.S. Securities and Exchange Commission (SEC) on December 7, 2018 (as updated by our Proxy Statement supplement, filed with the SEC on January 15, 2019), as well as our Corporate Governance Guidelines. These documents outline the role of our Board and its committees and key governance practices, as well as the experience, qualifications and attributes of our directors.

We are especially proud of the mix of skills, experience, diversity and perspective our Board of Directors bring to Accenture, as detailed in our Proxy Statement.

We maintain an ongoing, proactive outreach effort with our shareholders. Throughout the year, our Investor Relations team and leaders of our business engage with our shareholders to seek their input, to remain well informed regarding their perspectives and to help increase their understanding of our business. Through this engagement, we leverage the discussions to cover topics of interest to our shareholders, including our strategy, compensation, Board and other governance topics.

In a combined effort by our Investor Relations, Corporate Citizenship and Legal teams, we reached out to our top 50 shareholders in August through October 2018 to discuss our commitment to corporate citizenship and environmental-, social- and governancerelated matters. We engaged with holders of more than 40 percent of our shares outstanding, including 70 percent of our top 20 holders. These engagement activities produce valuable feedback that is communicated to and considered by the Board and that informs our decisions and strategy, as appropriate.

Corporate Citizenship leadership and governance: Fostering accountability and responsibility

Accountability to advance corporate citizenship at Accenture starts at the top, with our Board, which includes our CEO, and cascades through our business, including use of performance objectives relating to corporate citizenship.

We have a clear governance structure to drive performance toward our goals and help ensure objectives are cascaded through the organization. Specific members of our Global Management Committee are responsible for key corporate citizenship and environmental strategies, including sponsorship of our non-financial goals.

These leaders are supported by management groups such as our Corporate Citizenship Council and the Environment Steering Group, which make strategic recommendations on our sustainability initiatives for our leadership to approve and integrate throughout the organization.

In fiscal 2019, Laurence Morvan, chief of staff – Office of the CEO, was named corporate social responsibility (CSR) officer at Accenture. She is a member of the company's Global Management Committee and as CSR Officer has senior accountability for Accenture's corporate citizenship initiatives. She also serves as the executive sponsor for Accenture's relationship with the B20 and the G20 Young Entrepreneur Alliance (G20 YEA), international forums that bring thought leadership and business policy recommendations to the G20 heads of state, with a focus on digital economy, entrepreneurship and innovation ecosystems.



When businesses serve their clients, people and society with purpose and a commitment to responsible innovation, there is a benefit to all: trust."

Laurence Morvan Chief of Staff – Office of the CEO & Corporate Social Responsibility Officer

SHAPING RESPONSIBLE BUSINESS

ALOCKAHEAD

In fiscal 2019, we are continuing to make progress toward our goals and address our challenges by:

EXPLORING

new ways to institutionalize how we address emerging topics and new questions related to responsible business practices at the most senior levels of our organization.

EXPANDING

capabilities to anticipate new areas of skill demand and more quickly match employees with new career opportunities.

PURSUING

creative tactics to reduce our carbon emissions through increased use of renewable energy and greater supplier engagement to help us shrink emissions from travel and other purchased good and services.

EXTENDING

our Diverse Supplier Development Program into parts of India and Latin America by fiscal 2020.





PERFORMANCE DATA TABLE

The following table quantifies our progress since fiscal 2016 on key non-financial indicators. Unless specified, all metrics are global in scope, reported on a fiscal year basis, consistent with previously reported figures and cover those of our consolidated entities. All data are consolidated from performance management systems across multiple Accenture teams and vetted through an internal controls process, which includes senior leadership, to ensure they provide an accurate representation of Accenture's non-financial performance.

ACCENTURE AT A GLANCE ¹	FY16	FY17	FY18
	US \$ THOUSANDS		
Net Revenues ²	\$32,882,723	\$34,850,182	\$39,573,450
Operating Expenses Excluding Reimbursable Expenses	28,072,278	30,217,573	33,732,409
Operating Income	\$4,810,445	\$4,632,609	\$5,841,041

INNOVATING FOR SOCIETY ¹	FY16	FY17	FY18
People Equipped with Skills to Get a Job or Build a Business (cumulative, rounded)	1,720,000	2,230,000	2,845,000
ACCENTURE CONTRIBUTIONS BY REGION	US \$ THOUSANDS		os
North America	\$12,394	\$12,484	\$15,979
Europe	17,439	18,619	20,189
Growth Markets	14,903	16,080	17,026
Cross-Region	14,733	14,436	20,512
Total Accenture Contributions	\$59,468	\$61,619	\$73,706
ACCENTURE CONTRIBUTIONS BY TYPE	US \$ THOUSANDS		os
Cash	\$19,081	\$19,638	\$22,289
In-Kind (Accenture Development Partnerships and Pro Bono Consulting)	37,129	38,408	47,530
Time (Paid Volunteering)	3,258	3,573	3,886
Total Accenture Contributions	\$59,468	\$61,619	\$73,706
Accenture Foundations Contributions ³	\$9,591	\$12,521	\$13,884
Total Accenture and Accenture Foundations Contributions	\$69,060	\$74,140	\$87,589
Hours of Participation in Accenture-Sponsored "Time & Skills" Programs ⁴	700,502	726,303	853,901
Employees Participating in Accenture-Sponsored "Time & Skills" Programs ⁴	6,422	7,349	8,465
Employee Donations (US \$ thousands)	\$9,110	\$8,804	\$9,735

SHAPING RESPONSIBLE BUSINESS: OUR PEOPLE	FY16	FY17	FY18	
Global Headcount at Fiscal Year End (rounded)	384,000	425,000	459,000	
EMPLOYEE WORKFORCE PERCENTAGE BY GENDER ⁵	PER	PERCENT OF TOTAL		
Women	39%	41%	42%	
Men	61%	59%	58%	
Total	100%	100%	100%	
NEW HIRES PERCENTAGE BY GENDER ⁵	PER	PERCENT OF TOTAL		
Women	44%	45%	47%	
Men	56%	55%	53%	
Total	100%	100%	100%	
EXECUTIVES PERCENTAGE BY GENDER ^{5,6}	PER	PERCENT OF TOTAL		
Women	28%	29%	29%	
Men	72%	71%	71%	
Total	100%	100%	100%	
MANAGING DIRECTORS PERCENTAGE BY GENDER ^{5,7}	PER	PERCENT OF TOTAL		
Women	20%	21%	22%	
Men	80%	79%	78%	
Total	100%	100%	100%	
Total Training Spend (US \$ thousands)	\$940,509	\$935,200	\$927,484	
Average Training Hours per Employee	46	45	42	

SHAPING RESPONSIBLE BUSINESS: ENVIRONMENT ¹	FY16	FY17	FY18
Percentage Change in Total Carbon Emissions Compared to FY16 Baseline		-1%	-5%
Core Carbon Emissions per Employee (Metric Tons of CO ₂) ⁸	2.13	1.96	1.66
CORE CARBON EMISSIONS BY SOURCE ^{8,9}	METRIC TONS OF CO ₂		
Air Travel	373,316	389,098	351,966
Other Business Travel	157,701	157,471	164,533
Office Electricity ¹⁰	259,540	240,008	216,051
Other Energy (Natural Gas, Diesel)	6,537	4,436	3,416
Total Core Carbon Emissions	797,094	791,013	735,966
CORE CARBON EMISSIONS BY REGION ^{8,9}	METRIC TONS OF CO ₂		
North America	230,897	234,746	223,720
Europe ¹⁰	144,307	147,815	133,138
Growth Markets	421,890	408,451	379,108
Total Core Carbon Emissions	797,094	791,013	735,966
Carbon Emissions from Other Purchased Goods and Services ⁸	460,542	451,031	453,828
Total Carbon Emissions	1,257,636	1,242,044	1,189,794

SHAPING RESPONSIBLE BUSINESS: ENVIRONMENT ¹	FY16	FY17	FY18
CARBON EMISSIONS BY SCOPE ⁹	METRIC TONS OF CO ₂		
Scope 1	27,203	24,095	22,183
Scope 2 ¹⁰	263,050	243,773	218,855
Scope 3 ⁸	967,383	974,176	948,756
Total Carbon Emissions	1,257,636	1,242,044	1,189,794
Office Electricity Efficiency (kWh/square meter)	196	179	167
% Electricity from Renewable Sources	18%	21%	24%
ENERGY USAGE BY SOURCE ^{9,11}		MWh	
Non-Renewable Electricity	397,408	376,439	361,512
Renewable Electricity	85,461	101,898	111,574
Natural Gas	17,166	15,485	12,155
Diesel	12,255	5,225	3,839
Total Energy Usage	512,290	499,047	489,080
ELECTRONIC WASTE BY DISPOSAL METHOD ¹²	METRIC TONS		
Avoided Landfill	360	302	583
Landfill	<1	<1	<1
Total	360	303	583
Total Water Consumption (cubic meters) ¹³	2,191,000	2,179,000	2,518,000
Water Consumption per Employee (cubic meters)	5.85	5.39	5.69

SHAPING RESPONSIBLE BUSINESS: SUPPLY CHAIN ¹	FY16	FY17	FY18
DIVERSE PROCUREMENT SPEND BY TYPE (US ONLY)	US \$ THOUSANDS		
Minority-Owned Business	\$351,468	\$355,519	\$450,992
Women-Owned Business	104,948	100,620	118,587
Small Business	74,965	81,963	75,171
Other Type Business ¹⁴	9,129	5,649	1,731
Total Diverse Procurement Spend (US Only)	\$540,510	\$543,751	\$646,481
Diverse Procurement Spend as a Percentage of Total Procurement Spend (US Only)	29%	27%	31%

Footnotes

- Some detail numbers may not sum exactly to total number due to rounding.
- Net revenues excludes reimbursements (for example, travel and out-of-pocket expenses and third-party costs, such as the cost of hardware and software resales).
- Accenture Foundations refers to independent charitable organizations that bear the Accenture name. 3
- "Accenture-sponsored 'Time & Skills' Programs" comprise Accenture Development Partnerships, pro bono consulting and paid volunteering projects.
- Values reflect our workforce as of December 31 of that year and do not include information from Avanade, a joint venture between Accenture and Microsoft that is majority-owned by Accenture.
- "Executives" comprises our managers, senior managers, managing directors, senior managing directors and members of our Global Management Committee.
- "Managing Directors" comprises our managing directors, senior managing directors and members of our Global Management Committee.
- Emissions designated as "Core" represent those most directly associated with Accenture's business model and align with total emissions reported prior to fiscal 2016. As part of Accenture's science-based emissions target, we now include Scope 3 emissions for fiscal 2016 onward resulting from procurement of other purchased goods and services as part of our total emissions inventory.
- Detailed methodology for carbon emissions and energy usage calculations is available in <u>Accenture's CDP Climate Change response</u>; 100% of Accenture's fiscal 2018 Scope 1 and Scope 2 emissions, as well as a small subset of Scope 3 emissions received a positive statement for a limited assurance review by an independent third party.
- CO₂ emissions related to Scope 2 Office Electricity reflect a market-based accounting approach as defined by the updated GHG Protocol Scope 2 guidance. In line with the guidance, fiscal 2018 office electricity market-based emissions factor renewable electricity impacts as well as 4,234 tons of residual non-renewable emissions in Europe. Also in line with the guidance, we report CO₂ emissions using a location-based approach, which for fiscal 2018 would be 279,221 tons for Office electricity and 282,026 tons for Scope 2.
- In previous reports, values for "Non-Renewable Electricity" and "Renewable Electricity" were combined into a single value for "Electricity." Prior year values disclosed for "Electricity" are the same as the sum of values for "Non-Renewable Electricity" and "Renewable Electricity."
- Electronic waste (e-waste) is the most significant environmental aspect in our waste stream and includes laptops and workstations with disposal method tracked in Accenture's global asset management system. Other waste streams result primarily from our office-based activities, many of which include recycling services that are both inside and outside our operational control, and overall are not considered to have a significant environmental impact.
- Fiscal 2018 total water consumption is derived from 66% measured data and estimating the remainder based on average per-workstation consumption from measured locations.
- "Other Type Business" consists of the following subcategories: Service-Disabled Veteran, Veteran, Historically Black Colleges or Universities, and LGBT.

ABOUT ACCENTURE

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialized skills across more than 40 industries and all business functions—underpinned by the world's largest delivery network—Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With 477,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives.

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