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# **United Nations Global Compact: Communication on Progress**

March 2011

• Consulting • Technology • Outsourcing

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#### **Letter from Our Leaders**

Corporate citizenship remains fundamental to our character and the way we run our company as a high-performance business. In this second Communication on Progress to the United Nations Global Compact (UNGC), we highlight our journey during this past year—and reaffirm our commitment to ensuring that Accenture will continue to make a sustainable difference in the communities in which we work and live.

Our commitment to the 10 principles of the UNGC, which we signed in 2008, and to the organization's efforts to advance corporate citizenship and sustainability, while promoting the social legitimacy of businesses and markets, is well-aligned with our core values and our corporate vision. It is simply part of how we act and operate each day, and it matters deeply to our people and to our business partners. In fact, the vast majority of our employees tell us that they expect Accenture to be a committed corporate citizen, and our clients regularly ask for information about our initiatives in this area.

Skills to Succeed, Accenture's corporate citizenship focus, reflects our culture and our core values—Client Value Creation, One Global Network, Respect for the Individual, Best People, Integrity and Stewardship. Helping people develop skills so they can get jobs, build businesses and improve their communities is a critical challenge—and, at the same time, a great opportunity for us to leverage our deep experience in developing and nurturing talent.

In 2010, we set an ambitious goal that, by 2015, we will equip 250,000 people worldwide with the skills to get jobs or start businesses. We are off to a strong start, with more than 80 initiatives that are making a real impact on the economic vitality of families and communities around the world. For example, in Brazil we have teamed with Conexão to train 13,000 disadvantaged young people with business and IT skills, and in the Philippines, we are working with Passerelles Numériques to educate more than 300 underprivileged students.

Additionally, Accenture and the Accenture Foundations committed to contribute more than US\$100 million over three years to support our corporate citizenship efforts, through global and local giving, as well as pro bono services and the time and skills of Accenture employees. We intensified our focus in this area across all our geographies last year, aligning the majority of our corporate citizenship activities globally with **Skills to Succeed**.

Our commitment to sustainability across our professional practices and operations is closely aligned with UNGC's principles on the environment. Last year we teamed with the UNGC on "A New Era of Sustainability," a survey of 766 CEOs around the globe—the largest such research study of top executives ever conducted on the topic of sustainability. Additionally, we were pleased that in 2010 the Carbon Disclosure Project included Accenture—for the first time—on its Global 500 Carbon Disclosure Leadership Index, which represents the top 10 percent of all companies.

250,000

Our goal: By 2015, Skills to Succeed initiatives will equip 250,000 people around the world with the skills to get a job or build a business

We also continued on our ambitious path to reduce our own environmental footprint, while helping clients reduce theirs. For example, we expanded our use of Telepresence technology—now installed in more than 60 Accenture locations globally—to eliminate noncritical travel. We implemented remote energy-monitoring technologies in our offices to better understand and manage our energy footprint. We launched Team Eco Challenge, our first global competition to recognize and reward successful environmental practices on Accenture projects, as a way for our project teams to share their environmental innovations with colleagues around the world. Additionally, we began a smart grid pilot project for Singapore's Energy Market Authority, and in the United States we are teaming with Baltimore Gas & Electric to implement a smart meter network for its 1.2 million customers.

As we continue to make significant strides, we also recognize that we must address challenges to ensure that we remain on track to meet our robust environmental objectives. Most notably, the strong increase in demand for our services and our expansion into emerging growth markets over the past year resulted in an associated increase in air travel, which has slowed our progress toward our goal of reducing per capita carbon emissions. With this in mind, we are working closely with our global network of employees, clients and suppliers to continue our relentless journey toward more sustainable operations and a smaller environmental footprint.

Accenture also remains steadfastly committed to the UNGC principles that address human rights, labor and anticorruption issues. We believe that strong policies in these areas are vital. Last year we revised and enhanced our Code of Business Ethics to, among other things, further illustrate how we can fully embrace our core values in our daily activities. Additionally, we reached the goals we set around Ethics and Compliance training completion rates within our organization. And for the fourth consecutive year, we earned a perfect score in the Human Rights Campaign's Corporate Equality Index.

Through our continued focus on diversity and in other, numerous ways, we demonstrate our commitment to the UNGC's labor standards principles. Our workforce of more than 215,000 comprises people from a wide variety of countries, cultures, generations and backgrounds—and includes more than 70,000 women. As we do each year, we celebrated International Women's Day this past March with events in 146 Accenture locations across 35 countries. We also expanded our customized training, which now includes programs to support leadership development programs for ethnic minorities, advance our goals of a more diverse workforce and develop high-performing women.

In addition, we extended our focus on sustainability and diversity through our global supply chain by rolling out a new program that reviews the environmental, social and ethical performance of key suppliers in North America and Europe.

On the following pages you can read more about Accenture's activities and achievements in all areas related to the 10 principles of the UNGC. Although we are encouraged by our progress from the past year, we recognize there is more to do. And, we are committed to expanding and extending our corporate citizenship efforts, moving forward to ensure that we continue to bring positive change to communities around the world.



William D. Green Chairman Accenture



Pierre Nanterme Chief Executive Officer Accenture



Adrian Lajtha
Chief Leadership Officer
Accenture

# United Nations Global Compact Human Rights Principles

"At Accenture, we believe that being able to provide for and sustain oneself and one's family is a basic human right. ... Skills to Succeed helps address this gap, by educating people around the world—building skills that enable them to participate in and contribute to the economy and society."

#### Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights, and

#### **Principle 2**

make sure that they are not complicit in human rights abuses.

#### **Our Commitment**

Accenture's commitment to protecting human rights spans how we treat our employees, our expectations of our suppliers and how we support the communities where we work and live. It is anchored in our Code of Business Ethics (COBE), which we revised in 2010; our Supplier Standards of Conduct; and our global policies, including Meritocracy, Data Privacy, Harassment, Physical Security, Geographic Expansions and Working in High Risk Areas, Crisis Management, Procurement of Goods and Services, and Reporting Unlawful or Unethical Activity - Prohibition Against Retaliation.

That commitment extends to the protection of the health and safety of our employees, contractors, guests and neighbors. As such, over the next few years, Accenture is committed to establishing a global approach to health and safety and building on our current local geographic certifications for OHSAS 18001:2007.

Beyond our employees and our own operations, our commitment to protecting human rights is also rooted in the expectations we have of our global and our local suppliers. For instance, we now include a sustainability and inclusion questionnaire covering human rights in the template for all RFPs (requests for proposal) in our Netherlands/ Benelux region. In fiscal 2011, we will continue to roll out our global program to review the environmental, social and ethical performance of existing critical suppliers in North America and Europe.

# Gender Equality as a Human Right

As part of our <u>supplier inclusion & diversity efforts</u>, we are also committed to playing a leadership role in promoting the global economic empowerment of women. Gender inclusion is an important global focus for Accenture; we believe that increasing the opportunities for

women to succeed economically is one of the most powerful ways to promote human rights and community stability.

For instance, within our Procurement organization we are demonstrating our commitment to human rights by actively promoting the value contributed by women-owned businesses and other underrepresented suppliers. In addition, Marianne Schoenig, our Global Procurement Gender Inclusion & Diversity lead serves on the board of directors of WEConnect International, which works to increase opportunities for women-owned businesses to succeed, focusing not only on established women entrepreneurs but also on grassroots entrepreneurs who are at the beginning of their journeys.

In India, our Procurement and Corporate Citizenship teams, for example, are working with WEConnect International and the World Bank on a pilot to help SEWA (Self-Employed Women's Association of India) up-skill and upscale its operations, with a view to supplying corporations with stationery items produced by SEWA members from recycled paper. Many of the women involved were formerly rag-pickers, who are among the poorest and most vulnerable workers in the world. Now an increasing number of these women can look forward to greater self-reliance.

80

Number of Skills to Succeed initiatives that are making a real impact on the economic vitality of families and communities around the world

Accenture has also joined, and is actively contributing to, La Pietra Coalition's "Breakthrough Initiative"—a powerful network striving to empower women globally. Finally, we continue to play an active role in the World Bank Global Private Sector Leader's Forum, whose members comprise global business leaders committed to creating opportunities for women as an integral part of their core businesses, corporate social responsibility agendas and inclusion and diversity efforts.

#### **Employment as a Human Right**

At Accenture, we believe that being able to provide for and sustain oneself and one's family is a basic human right. Unfortunately, many people lack the necessary skills or access to education and training that would enable them to obtain a job or build a business. Skills to Succeed helps address this gap by educating people around the world—building skills that enable them to participate in and contribute to the economy and society.

In our previous <u>Communication on Progress</u>, we reported that we have aligned Accenture's global corporate citizenship initiatives around **Skills to Succeed**. At the start of fiscal 2011, we set an ambitious goal: By 2015, **Skills to Succeed** initiatives will equip 250,000 people around the world with the skills to get jobs or build businesses. This goal reflects our commitment to make a measurable, sustainable difference to the longterm resilience of individuals, families and communities.

In collaboration with our strategic partners, we are working on initiatives that will help us achieve our goal. By the end of fiscal 2010, we had more than 80 initiatives that are making a real impact on the economic vitality of families and communities around the world. For example, in Brazil we are teaming with Conexão to train 13,000 disadvantaged young people with business and IT skills, and in the Philippines we are working with Passerelles Numériques to educate more than 300 underprivileged students. We are also working with the Canadian-based nonprofit **Enablis** in Africa, with **Genesys Works** in the United States, with Dr. Reddy's Foundation in India and with Youth Business International in the United Kingdom. Through initiatives such as these, we continue to offer our people "Time & Skills" opportunities, including pro bono consulting and paid volunteering projects.

Additionally, Accenture and the Accenture Foundations committed to contribute more than US\$100 million over three years to support our corporate citizenship efforts, through global and local giving, as well as pro bono services and the time and skills of Accenture employees.

To track our progress toward aligning our corporate citizenship efforts with **Skills to Succeed**, we implemented an enhanced performance measurement approach in 2010,

which enables us to track our progress against key operational indicators. This internal component provides a comprehensive approach to tracking and managing progress toward our **Skills to Succeed** goal and will support the development in fiscal 2011 of our outcome measurement framework.

In fiscal 2010, our overall investment in Time & Skills projects decreased slightly. The main reason for this decrease was that fiscal 2010 was a transition year to align our geographic programs with **Skills to Succeed**, and we made solid progress toward that end. We continue to develop our nonprofit relationships, align them with **Skills to Succeed** and optimize time and skills opportunities for our people.

## Ongoing Dedication to the Principles

We have achieved and continue to maintain OHSAS 18001:2007 certification—which relates to occupational health and safety—in the United Kingdom, Ireland, Spain and our largest site in Bangalore, India, and those locations continue with their reporting and audits. We are also working toward certification in other geographies including Brazil, and we have developed and are rolling out a Global OHSAS 18001:2007 management system toolkit for those geographies that will be working toward certification.

Accenture continues to make advancements on our commitments to uphold the UNGC human rights principles, and in fiscal 2010 we again gained recognition for our efforts in this area. For instance, we received a perfect score of 100 on the Human Rights Campaign's Corporate Equality Index—the fourth consecutive year we received a perfect score. We also were named to *CR Magazine*'s Best Corporate Citizen list. We are proud of these and our other accomplishments, and remain committed to human rights principles in all that we do.

# **United Nations Global Compact Labor Standards Principles**

"One of Accenture's six core values is Respect for the Individual. Thus, we have a clear commitment to taking the widest possible view of diversity. Our workforce spans countries, cultures, generations and a broad mix of educational experiences and backgrounds."

#### **Principle 3**

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

#### Principle 4

the elimination of all forms of forced and compulsory labor;

#### Principle 5

the effective abolition of child labor; and

#### Principle 6

the elimination of discrimination in respect of employment and occupation.

#### **Our Commitment**

Accenture's ongoing commitment to upholding labor standardsincluding freedom of association; elimination of forced, compulsory and child labor; and elimination of discrimination-continues to span our employees and our suppliers. Our commitment is articulated in our Code of Business Ethics (COBE) and Core Values in Action, both of which were updated within the past year to emphasize, among other things, diversity, corporate citizenship, teamwork and respect. Our commitment is also anchored in our Supplier Standards of Conduct and numerous policies, including Meritocracy, Harassment, Procurement of Goods and Services, and Reporting Unlawful or Unethical Activity - Prohibition Against Retaliation. Accenture complies with local labor laws applicable to its relationship with its employees.

In addition to being a signatory of the United Nations Global Compact (UNGC), Accenture also supports the UNIFEM (part of UN Women) and UNGC Women's Empowerment Principles and, in fiscal 2010, signed the Women's Empowerment Principles CEO Statement of Support. These principles provide a set of considerations to help the private sector focus on key elements that are integral to promoting gender equality in the workplace, marketplace and community. Informed by business policies and practices collected from around the world, the principles are very much in line with our own leadership and accomplishments on these issues.

# Promoting High Labor Standards from within Our Organization

One of Accenture's six core values is Respect for the Individual. Thus, we have a clear commitment to taking the widest possible view of diversity. Our workforce spans countries, cultures, generations and a broad mix of educational experiences and backgrounds. It is the combination of our employees' multiple perspectives with our common values and methodologies that is a powerful differentiator for us. Our clients expect and value diversity—in our teams, our people and our points of view—and so do the women and men who choose to build careers at Accenture.

We train our employees on topics such as avoiding workplace harassment, and in fiscal 2010, we offered a wide spectrum of training and development programs around the subject of diversity. These programs include diversity awareness training to help participants develop a greater sensitivity to the opportunities and challenges presented by working in an increasingly dynamic, global and diverse organization, as well

as diversity management training, which helps our leaders create and manage an inclusive work environment more effectively.

Additionally, in fiscal 2010, Accenture worked to expand support for current and future employees with disabilities. We have implemented new programs, are identifying specific national requirements for hiring persons with disabilities and plan to extend our efforts beyond the requirements of those national laws.

# **Enforcing Fair Labor Standards Beyond Our Four Walls**

Just as Accenture holds its entire organization accountable to high standards of business conduct, we demand the same of our suppliers. Within our supply chain, we are committed to eliminating discrimination in our choice of service providers and vendors. Accenture Procurement's Supplier Inclusion & Diversity program is a core part of our commitment to sustainable business practices. The professionals on this team work closely with our Corporate Citizenship team to align our procurement inclusion commitment with Skills to Succeed, our corporate citizenship focus (described in greater detail in the prior section, on human rights).

Accenture's Supplier Standards of Conduct, introduced in December 2009, supplement our COBE and set out the standards and practices that Accenture suppliers are required to uphold across all 10 UNGC principles, including human rights. We continue to review our key global suppliers' environmental, social and ethical business practices as part of a phased program to identify and address areas of risk and encourage improvement.

Our Supplier Standards of Conduct document expectations for our supply chain, including specific provisions about upholding freedom of association and eliminating forced labor, child labor and discrimination in the workplace. We expect every new supplier agreement issued by Accenture Procurement to include a clause requiring the supplier to comply with our Supplier Standards of Conduct, and we will not do business with suppliers who refuse to agree to the clause.

20.8%
Percentage of procurement spend to diverse suppliers in fiscal 2010

Additionally, we require all new contractors (other than those in France, due to labor laws) to attend training around the Supplier Standards of Conduct, and they must agree to comply with these standards to retain access to Accenture's technology systems.

Accenture also commits to support gender inclusion across its supply chain, because we believe that leveraging underutilized, womenowned businesses addresses both a social concern and a barrier to achieving high performance in the marketplace. Through Accenture's Procurement Supplier Inclusion & Diversity and Skills to Succeed programs, we aim to build the visibility and capacity of womenowned businesses that have not yet had opportunities to participate significantly in supply chains.

Our vision is to establish a more inclusive supply chain in our key geographies, aligned equally with our corporate responsibility agenda and our business objectives. We believe that helping underrepresented businesses in our key markets achieve positive economic growth also results in positive growth for our clients

and for Accenture. Accenture actively supports our suppliers in accelerating the diversity of their supply chains and their boards and contributes to the wider marketplace commitment toward inclusive supply chains.

Our supply chain performance around labor standards continues to evolve. In March 2010, we began to track the percentage of new Procurement-issued supplier agreements that included a legal clause requiring compliance with the Accenture Supplier Standards of Conduct; we will have a full year of data to report for 2011.

# Ongoing Dedication to the Principles

We have made great strides in supplier inclusion and diversity. Our programs in India, Canada and Europe are building momentum, and our initiatives in China and other Asia Pacific countries are now under way. We collaborate closely with WEConnect International, and we have active representation on the boards or advisory committees shaping WEConnect India, WEConnect Canada and WEConnect Europe.

In the United States, our most mature geography for supplier diversity, the total Procurement spend to diverse suppliers increased from 15.8 percent in fiscal 2009 to 20.8 percent in fiscal 2010, for a total of \$309 million in total diverse procurement spend in that year. Another major milestone from July 2010 was the graduation of Accenture's second class of its Diverse Supplier Development Program, a formal mentoring program in which Accenture executives are teamed with diverse suppliers to help them grow their businesses over the course of an 18-month commitment.

# 23 Accenture's 2011 ranking on *DiversityInc*'s Top 50 Companies for Diversity list

In fiscal 2010, Accenture and our people received a great deal of recognition for our commitment to diversity. For instance, Accenture was named one of America's Top Corporations for Women's Business **Enterprises** by the **Women's Business Enterprise National Council (WBENC)** for the second consecutive year. We were also selected as one of the **Greater Women's Business Council's** (GWBC) 2009 Top Ten Corporations. Our Chief Procurement Officer, Al Williams, continues to serve on the WBENC board of directors. and, in September 2010, Ray Toomer, our US Supplier Diversity director, was named to the GWBC board of directors. In April 2010, Carol Attak, Accenture's US Supplier Diversity program manager, was elected vice chair of the National Gay & Lesbian **Chamber of Commerce Procurement** Council.

Last year we also achieved our goal of increasing the representation of women and minorities among our leadership. For example, within our leadership ranks, women now comprise more than 16 percent of our senior executives globally. In further support of advancing equality, Accenture's chairman & then-CEO Bill Green was one of the lead signatories of the UN **Development Fund for Women** and the UNGC's CEO Statement of Support for the Women's **Empowerment Principles—Equality** Means Business.

Accenture continued to gain recognition for our efforts around labor standards, ranking in the top 25 on *DiversityInc*'s "Top 50 Companies for Diversity" list, finishing at No. 22 in 2010 and at No. 23 in 2011.

We will continue to leverage our knowledge and resources to ensure our ongoing commitment to the labor standards principles.

# **United Nations Global Compact Environment Principles**

"Accenture is on a journey to enhance our environmental performance initiatives, striving to take the necessary steps to ensure progress, create efficiencies, embed environmental stewardship throughout our company, and develop and support innovations that help make our world more sustainable."

#### **Principle 7**

Businesses should support a precautionary approach to environmental challenges;

#### **Principle 8**

undertake initiatives to promote greater environmental responsibility; and

#### **Principle 9**

encourage the development and diffusion of environmentally friendly technologies.

#### **Our Commitment**

Accenture is committed to understanding and addressing environmental impacts—including carbon, e-waste and water—resulting from our operations and to fostering environmental responsibility among our stakeholders, including employees, clients and suppliers.

Our core values and Code of Business Ethics (COBE) inform our Environmental Responsibility Policy, which we established in 2007 and updated in 2009. Members of our Global Management Committee, who approve all major initiatives, including our carbon-reduction targets, monitor this policy. At the same time, our CEO's performance objectives, as well as those of the relevant members of our Global Management Committee, include responsibility for achieving our targets.

Because more than 80 percent of our overall carbon emissions are derived from electricity for our office locations and air travel, in fiscal 2010, we focused on applying technologies and implementing actions to improve our performance in these areas.

We continue to make significant strides and recognize that we must address challenges to ensure our continued progress. Most notably, the strong increase in demand for our services and our expansion into our strategic growth markets over the past year resulted in an associated increase in air travel, which slowed our progress toward our goal of reducing per capita carbon emissions 40 percent by 2012 from our 2007 baseline. Working closely with our global network of employees, clients and suppliers, we are on a relentless journey toward more sustainable operations and a smaller environmental footprint.

## Addressing Electricity and Air Travel

To better understand and improve our carbon emissions performance related to office electricity, in fiscal 2010 we implemented new Remote Energy Monitoring (REM) technologies. We connected meters to transmission technology in our locations in South Africa, Spain, Mauritius, the United Kingdom, the Netherlands, Belgium and India. As a result, we now feed our electricity consumption data from these locations to a central tool, which records and monitors consumption in real time. The REM technology can provide benefits quickly. For instance, in our Johannesburg, South Africa, location, this technology yielded a 10 percent efficiency improvement in only four weeks.

Purchasing renewable energy is an important part of our environmental strategy, and we procure more than 10 percent of our office electricity from renewable sources. In several of our locations, including in Germany, Italy and the United States, we have been able to replace nonrenewable with renewable energy. Based on the successes achieved in those locations, we have developed a global energy procurement strategy that we plan to execute opportunistically in additional locations over the next two years.

Business travel continues to be at the heart of our delivery model, but we have identified some opportunities to reduce the related environment impact. For example, to reduce emissions related to business travel, we are teaming with clients, when appropriate, to implement smart work and alternative travel arrangements so we can stay connected and deliver value, regardless of where our people are located.

Additionally, in fiscal 2010 we increased our use of <u>Telepresence</u> technology, which is now implemented in more than 60 Accenture locations worldwide, including at a number of client sites, to connect our people and our clients. In fact, we recently hosted a meeting via Telepresence that connected United Nations Global Compact (UNGC) leadership in New York with member company representatives in Accenture offices around the world.

At the local level, our operations around the world continue to take actions to improve our environmental impact. For instance, in France we implemented a policy to replace air travel with train travel for distances that can be traveled by train in under three hours, and we installed smart building technology

in our Paris office. In Canada, we partnered with the World Wildlife Fund to implement new energy management programs in our Toronto office, and in Italy we replaced plastic water bottles with fresh water dispensers in meeting rooms.

#### Part of the Solution: Employees and Suppliers

We continue to engage our employees through innovative environmental action programs. Building on the success of our fiscal 2009 employee Eco Challenge, in fiscal 2010, we ran our companywide Team Eco Challenge competition. This competition allowed project teams to share environmental practice innovations that deliver client value while reducing environmental impact. More than 100 projects, representing more than 800 Accenture employees, were entered. The winning project team-based in Bangalore, Indiareduced power consumption in Accenture data centers by 11 percent. In fact, the team's work saved 50-150 kilowatts of electricity daily per site and reduced carbon emission by a projected 1,000 tons annually. The winners enjoyed a virtual celebration lunch with our chairman & CEO using our Telepresence network, and we are now implementing the initiative in 45 data centers around the world. Based on this success, we plan to run Team Eco Challenge again in fiscal 2011.

Our efforts also extend to providing our knowledge, experience and technologies to our entire supply chain and to guiding and encouraging their sustainability efforts. For example, our global Supplier Standards of Conduct are now part of our sourcing and contracting process and include our expectations regarding supply chain environmental practices.

In 2010, we joined Carbon Disclosure Project's (CDP) Supply Chain program as a corporate member. We asked our top global IT suppliers to respond to the CDP Supply Chain questionnaire on our behalf, and we received a 100 percent response rate. With the knowledge we gleaned from the responses, we can improve our strategic planning and supplier selection, and we can take a strategic, standardized approachalongside 40-plus other global corporations—to communicating with our most critical suppliers on their climate change strategies and performance. For fiscal 2011, we are doubling the number of suppliers from whom we will invite participation, and we will also include facilities and services organizations and airlines.

60

Number of Accenture locations worldwide using Telepresence technology

# Contributing to Environmental Progress

We continue to provide strategic advice to help organizations integrate sustainability into the fabric of their strategies and operating models. We help them plan and assess corporate sustainability programs and develop sustainability business opportunities related to regulation, technology, consumer trends and/or the broader economy. We also help our clients improve energy efficiency and reduce emissions through large infrastructure projectsacross energy, transportation and construction. We can help cities thrive in the emerging low-carbon economy by tailoring solutions that take advantage of innovations in key infrastructure areas, including smart grid services, smart metering,

water conservation, waste and pollution. In fact, in the last year, we began a smart grid pilot project for Singapore's Energy Market Authority, and in the United States we are teaming with Baltimore Gas & Electric to implement a smart meter network for its 1.2 million customers. We also continue to be transparent in reporting on our environmental performance, responding to the CDP—specifically, to its Investor Program since 2007 and its Supply Chain Program since 2009.

Our relationship with CDP plays an important part in expanding that organization's reach and helping make robust and meaningful data on climate change and corporate carbon footprints available. The collaboration also furthers our joint ambition of supporting corporations that wish to transform their carbon performance and reduce climate change-related risks.

Our work with CDP extends to our role as its Global Implementation Partner—working as project manager and solution integrator for its new climate change data and reporting platform and helping define a set of commercial services around emissions reporting.

Accenture also continues to play an active role in climate change and sustainability thought leadership. In 2010, we partnered with the UNGC to produce a CEO study on sustainability and business. Titled "A New Era of Sustainability: UN Global Compact-Accenture CEO Study 2010," the study found that 80 percent of the 766 CEOs surveyed said the global economic downturn actually increased-rather than dampened—the corporate commitment to sustainability. As businesses address the challenges of the financial crisis and look toward economic recovery, they are recognizing sustainability as a source of cost efficiencies and revenue growth and a critical element in driving growth in new markets.

## Ongoing Dedication to the Principles

In fiscal 2010, 99 percent of RFPs issued by Accenture Procurement included environmental questionnaires. Due largely to the learning curve associated with new hires and expansion into new locations, this was just shy of our target of 100 percent compliance, but our overall trend is promising, and we will continue working to improve our results.

Our environmental efforts have helped us win accolades:

- In 2010, we were included, for the first time, on CDP's Global 500 Carbon Disclosure Leadership Index, representing the top 10 percent of companies. We received a score of 91 (out of 100)—up from 76 in fiscal 2009 and 41 in fiscal 2008—and were named a leader in the Information Technology sector. Further, Accenture received a carbon performance score of B, consistent with our peer group. Read our 2010 Carbon Disclosure Project report.
- Since 2009, we have participated in Newsweek's annual Green
   Rankings and, in 2010, we ranked 11th out of 500 overall and first in our sector. This ranking represents a sizeable improvement over 2009, when we ranked 75th overall and sixth in our sector.
- For the sixth consecutive year, we were a component of the Dow Jones Sustainability North America Index, which tracks the financial performance of the leading sustainability-driven companies worldwide. The index follows a best-in-class approach and includes sustainability leaders from each industry on a global and regional level.
- We also appeared for the sixth consecutive year on the <u>FTSE4Good Index</u>, which measures the performance of companies that meet globally recognized corporate responsibility standards.

Additionally, Accenture has an Environmental Management System (EMS) and holds global ISO 14001 certification. In fiscal 2010, successful audits of Accenture's ISO 14001 locations merited renewal of our global certificate. We continue to harvest and share innovations from these locations and look for new opportunities to expand our EMS, which we did this year in Mexico City.

Overall, Accenture is on a journey to enhance our environmental performance initiatives, striving to take the necessary steps to ensure progress, create efficiencies, embed environmental stewardship throughout our company, and develop and support innovations that help make our world more sustainable.

99%

Percentage of RFPs issued by Accenture Procurement in fiscal 2010 that included environmental questions

# United Nations Global Compact Anticorruption Principle

"Accenture has a publicly stated formal policy of zero tolerance for corruption. This policy supports our commitment to work against corruption in all its forms, including bribery and extortion."

#### Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery.

#### **Our Commitment**

Accenture has a publicly stated formal policy of zero tolerance for corruption. This policy supports our commitment to work against corruption in all its forms, including bribery and extortion.

Our Code of Business Ethics (COBE) and related policies require all employees, business partners and suppliers to abide by the spirit and letter of all antibribery and anticorruption laws everywhere the company does business. These laws include the U.S. Foreign Corrupt Practices Act, the Organization of Economic Cooperation and Development Convention on Combating Bribery of Public Officials in International Business Transactions, the UN Convention against Corruption, and similar laws in many countries that prohibit bribery and corruption.

Our senior management is responsible and accountable for implementing our policy. Our director of Anticorruption Law reports to an associate general counsel, and ultimate program oversight resides with our general counsel and compliance officer. Our Global Management Committee provides management oversight to the anticorruption program, and the Audit Committee of our board of directors oversees the Ethics and Compliance program as a whole. Additionally, the compliance officer reports to the Audit Committee on program activities and plans at least annually.

We perform periodic qualitative and quantitative risk assessments for corruption and share the results with our most senior leadership, the Audit Committee of the board of directors and the full board. We are currently conducting an assessment of our

anticorruption program with outside counsel and key internal stakeholders.

#### **Empowering Our Employees**

We communicate our anticorruption commitment to our employees via our COBE and anticorruption policies, which are available on our corporate intranet. In fiscal 2010, we revised and improved our COBE, and it now includes 58 action statements illustrating how we can apply our six core values-Client Value Creation, One Global Network, Respect for the Individual, Best People, Integrity and Stewardship-every day. It also includes action statements that define our Standards of Business Conduct—the obligations that every employee must understand and follow.

# 80%

Percentage of suppliers that have completed Accenture's new ethics, information security and data privacy compliance training

We have built a dynamic COBE website, which provides employees access to a vast set of resources, including scenarios depicting ethical dilemmas, policy information, frequently asked questions (for each action statement), training, key terms, subject matter experts and collaboration tools. Periodically, we provide employees with computerbased and live training on our COBE, various aspects of our anticorruption program and particular risks we face. We also communicate about these issues through a variety of internal channels, including newsletters, e-mail reminders and alerts and online games.

For example, we include anticorruption messages in every issue of our bimonthly compliance newsletter, DecisionPoint, and our Compliance team issues e-mail "postcards" and informal communications regarding compliance and developments in anticorruption enforcement. We also maintain an anticorruption compliance internal website, accessible by all employees, which provides contact information and links to our relevant policies and procedures, as well as other resources. Finally, our website offers four short stories titled "A Closer Look...," which address giftgiving and receiving, conflicts of interest and retaliation.

We require each employee to complete a minimum of one hourand up to three hours—of Ethics and Compliance training annually, based on his or her function, location and level. Our global business ethics helpline (available via website and phone 24 hours a day, seven days a week) includes a process to report suspected ethics violations, including anticompliance corruption incidents, without retaliation. We employ staff dedicated to investigating each of these calls, with a standardized approach to addressing violations and determining discipline. We implement disciplinary action in cases of violation of such policies by employees, up to and including termination of employment.

#### Participating in External Organizations

Accenture participates in a number of voluntary anticorruption activities. For instance, we have been deeply involved with the United Nations Global Compact (UNGC) taskforce for developing guidelines to assist companies with reporting on the UNGC's 10th principle; see Accenture's detailed report, United Nations Global Compact Communication on Progress Report— Supplemental Report on Principle 10, based on that guidance. We continue to be an active member in the UNGC Working Group on the 10th principle and have been a co-chair for the UNGC 10th Principle Taskforce, which is responsible for developing anticorruption reporting guidelines.

In addition, as a signatory to the Partnering Against Corruption
Initiative (PACI), our chairman & then-CEO signed a commitment to support the PACI Principles for Countering Bribery. We participate in PACI industry collaboration meetings and events, and in October 2009 we completed our first PACI Highlighting Achievers Survey, outlining our efforts to support the PACI Principles.

In March 2010, Accenture's director of Anticorruption Law participated in a panel discussion on anticorruption compliance at the Corporate Counsel Institute in Washington, D.C.

### Involving Our Business Partners and Suppliers

We continually encourage our business partners and suppliers to commit to anticorruption principles:

- In fiscal 2010, we introduced new ethics training courses, information security and data privacy compliance training for all suppliers requiring an Accenture e-mail address and ID. Suppliers must complete the training in 21 days; failure to do so means that they will lose their Accenture e-mail and ID. To date, more than 80 percent of all in-scope suppliers have completed the training.
- Our COBE expressly applies to third parties, such as consultants, agents and independent contractors when acting on Accenture's behalf.
- We introduced checklists to assess our suppliers' compliance with applicable data privacy laws, as well as their compatibility with Accenture's approach to data privacy and client data protection.
- We enhanced supplier background screening for self-employed/ independent contractors, and it is now needed to receive an Accenture e-mail address and ID.

# Ongoing Dedication to the Principles

We have increased our due diligence in supply chain financial screening. Our Corporate Treasury team now performs a deep financial analysis of all suppliers responding to critical global technology RFPs and North American contractor RFPs. We then screen selected suppliers on an ongoing basis throughout our agreement with them, and they must provide us with current financial reports as often as quarterly. Existing critical suppliers go through the same screening on a regular basis, and we use the results as performance review discussion points and input for the next sourcing process.

Since releasing our <u>Corporate</u> <u>Citizenship Report 2008-2009</u>, we achieved our target employee completion rate of 96 percent for required Ethics and Compliance training. Our goal is to maintain this rate and, since 2009, we have had a policy under which failure to complete required training could affect an employee's performance management.

Additionally, we met our fiscal 2010 goal of expanding the presence of Ethics and Compliance leads, and we now have 36 Ethics and Compliance leads (senior business leads) covering 42 countries across all of our geographies.

Our efforts have been noticed: we have been included on <u>Ethisphere's</u> World's Most Ethical Companies list for three consecutive years in the Business Services category.

Going forward, we will continue to maintain zero tolerance for corruption and to work against it in all its forms.

96%
Percentage of Accenture employees that have

employees that have completed Ethics and Compliance training

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#### **About This Report**

This report serves as Accenture's second Communication on Progress to the United Nations Global Compact. It highlights our progress during fiscal 2010 (September 1, 2009, through August 31, 2010) and since we published our Corporate Citizenship Report 2008-2009 titled "Our Journey, Our Progress." Accenture publishes its Corporate Citizenship Report every two years, with online updates (this Communication on Progress) in interim years. Please visit Accenture's website to view our online Performance Data table as well as our Corporate Citizenship pages.

#### About Skills to Succeed

Skills to Succeed is Accenture's corporate citizenship focus, which educates people around the worldbuilding skills that enable them to participate in and contribute to the economy and society. By 2015, the company is committed to equipping 250,000 people around the world with the skills to get a job or build a business. To achieve this, Accenture will continue to work with a number of strategic partners that share its skillsbuilding goals. Current partners include organizations such as Enablis, Genesys Works, Oxfam, Passerelles Numériques and Youth Business International, among others. Additionally, the company offers its people volunteering and pro bono opportunities and expands its impact by replicating and scaling successful initiatives. Accenture and the Accenture Foundations will contribute more than US\$100 million by the end of 2013-in global and local giving, as well as pro bono contributions of time and Accenture employee skills—to support the company's corporate citizenship efforts.

#### **About Accenture**

Accenture is a global management consulting, technology services and outsourcing company, with more than 215,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. Accenture is committed to being a good corporate citizen—dedicated to minimizing its environmental impact and helping individuals around the world get jobs or build businesses. The company generated net revenues of US\$21.6 billion for the fiscal year ended Aug. 31, 2010. Its home page is www.accenture.com.



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