

MAKING A DIFFERENCE

CORPORATE CITIZENSHIP REPORT 2016

TABLE OF Contents

ON THE COVER

Natali Santana and her wife struggled to find work when they moved to Recife, Brazil to be closer to family. Their lives changed forever when they discovered Accenture in the Future, a Rede Cidadã and Instituto Ser Mais initiative that provides low-income individuals with business and technical skills—and the opportunity to be hired by Accenture. Now an IT Customer Service Associate at Accenture, Natali plans to grow her career at the company by pursuing a degree in Technology Management. To date, Accenture in the Future, part of our **Skills to Succeed** corporate citizenship initiative, has trained more than 340 young people, and more than 140 are employed full time by Accenture.

LETTER FROM OUR LEADERS

People are at the center of everything we do. Each day, Accenture people deliver transformational outcomes for a demanding new digital world. Our focus is to help our people, clients and communities achieve even more in an era when the pace of change will only accelerate.

As a company, we believe we have a responsibility to respond to today's most pressing challenges and improve the way the world works and lives. To do this, we use our global capabilities and digital experience to help drive innovative solutions that address a wide range of societal issues.

Accenture's 2016 Corporate Citizenship Report underscores our commitment to a more open, connected, inclusive and sustainable world. It also shows how our 401,000* people are using their energy and insights to make a measurable difference.

Here are a few ways that is happening:

- **Employing a digital hub to deliver hope**—In the midst of the largest refugee crisis since World War II, we worked with the Dutch government and 70 other partners to launch a digital platform to give refugees the skills and connections to gain sustainable employment.
- **Training and hiring technical talent**—On our mission to equip 3 million people with the skills to get jobs by 2020, we partnered with Rede Cidadã and Instituto Ser Mais in Brazil and hundreds of Accenture volunteers to train and hire technical talent from low-income communities.
- **Decoding the gender gap**—We are partnering with Girls Who Code in the United States to help close the gender gap in technology by equipping young women with computing and professional skills. Our joint research outlines a fresh approach to triple the number of women in computing by 2025.

- **Transforming outcomes for vulnerable children**—We helped Child In Need Institute in India develop GPower, a mobile-based solution that uses cloud technologies and analytics in real time to help vulnerable adolescent girls by combatting school drop-out rates, human trafficking and early marriage.
- **Applying data for a sustainable future**—Through data integration and analytics, we are helping clients and communities reduce energy consumption. One North American client achieved a 9 percent reduction in energy use, which is equivalent in carbon impact to growing a 60-million-square-foot forest in a year.
- Mentoring diverse suppliers—We deploy Accenture leaders across the globe to coach talented entrepreneurs, including an innovative, black-owned tech start-up in South Africa that developed and launched a mobile solution enabling better communication for the local mining industry.

Internally, we saw progress in how we are managing our supply chain, and in achieving a more inclusive and diverse workforce. In 2016, we exceeded our goal to have women account for at least 40 percent of our new hires globally by 2017. Today, our more than 150,000 women comprise approximately 40 percent of our global workforce.

As we look ahead, we know there is much more to do but remain energized by the commitment and efforts of our people and partners to make this journey with us.



PIERRE NANTERME Chairman & CEO



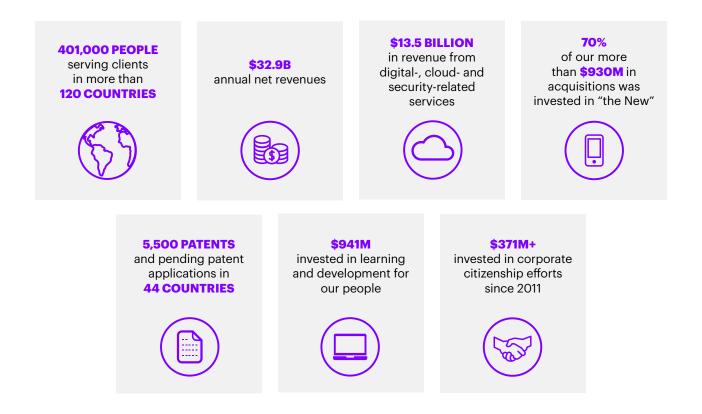
JILL HUNTLEY Managing Director -Global Corporate Citizenship

ACCENTURE AT A GLANCE

Accenture solves our clients' toughest challenges by providing a broad range of services in strategy, consulting, digital, technology and operations.

We partner with 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 our clients create sustainable value for their stakeholders. We are proud that 98 of our top 100 clients have been clients for at least 10 years.



Note: All figures are US dollars and as of fiscal year end 2016, with the exception of headcount (as of February 28, 2017)

OUR CORPORATE CITIZENSHIP Strategy & Approach

Corporate citizenship is central to our vision to improve the way the world works and lives—from closing employment gaps to advancing client sustainability to accelerating gender equality in the workforce. Our global capabilities, digital experience and innovation mindset help us develop solutions that address a wide range of societal issues.

Together with our people, partners and clients, we focus on creating economic growth, tackling social challenges and promoting environmental sustainability in our communities. Further, by advancing programs that reduce skill gaps, inequality and climate change, we are addressing the United Nations' Global Goals and contributing to the new sustainable development agenda.

Everything we do to execute our strategy and deliver our vision comes to life through our approximately 401,000* people. Accenture people represent a wide variety of cultures, ethnicities, religious beliefs and languages. This rich diversity makes our company smarter, more competitive and more innovative, which helps us better serve our clients and our communities.

*As of February 28, 2017

The immersive learning environment of our Innovation Hubs brings together broad networks from Accenture and beyond to solve challenges in a digital context.



GOALS & **Progress**

SYMBOLS

Ongoing U In Progress O Achieved

PILLAR	GOAL	PROGRESS	UPDATE	SDG*
ETHICS & GOVERNANCE	Awareness Building Following the fiscal 2014 launch of Conduct Counts, we will strive for employee awareness levels of our five global behavioral standards to be at least 90 percent each year.	Ð	In fiscal 2016, we achieved more than 90 percent employee awareness of our five global behavioral standards.	16 PEACE.JUSTI AND STRONG INSTITUTIONS
	Ethics Training We will strive to maintain employee completion rates in the high 90th percentile for our Ethics & Compliance training each year.	Ð	In fiscal 2016, we maintained employee completion rates in the high 90th percentile for our Ethics & Compliance training.	16 PEACE JUSTIC
OUR PEOPLE	Inclusion & Diversity By the end of 2017, we will increase the diversity of our workforce by growing our percentage of women new hires to at least 40 percent.	0	In 2016, our new hires comprised approximately 44 percent women. We now have more than 150,000 women in our global workforce.	5 EQUALITY
	NEW: 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.	υ		5 EQUALITY
	Talent Development By the end of fiscal 2017, we will expand the Accenture Future Technology Leaders Program to include more than 1,600 high-performing science, technology, engineering and math (STEM) student participants.	Retired	By the end of fiscal 2016, our program had a presence in 13 countries and reached more than 500 STEM undergraduate students. We have launched a new program to help introduce Accenture to diverse talent, and plan to retire this program in fiscal 2018. We will no longer track these results as one of our Talent Development goals.	4 CUALITY EBUCATION

GOALS & **Progress**

SYMBOLS

Ongoing U In Progress O Achieved

PILLAR	GOAL	PROGRESS	UPDATE	SDG*
OUR PEOPLE	Talent Development By the end of fiscal 2016, we will enhance the way our people interact and learn by building a global network of 100 connected classrooms that combine interactive technologies with innovative content design.	Extended	In fiscal 2016, we expanded our global network of connected classrooms to 80. We expect to reach our goal of 100 classrooms by the end of fiscal 2018.	4 EDUCATION
COMMUNITY IMPACT	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.	υ	To date, we have equipped more than 1.7 million people with workplace and entrepreneurial skills.	4 QUALITY EDUCATION
	Employment and 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.	U	We continue to identify new ways of improving our measurement and evaluation techniques. This helps us to effectively transition skilled people into sustainable jobs and businesses. As we learn more about what works, we collaborate with our partners to evolve our programs and enhance outcomes for beneficiaries.	8 BECENT WORK
	Collaboration for Systemic Change By the end of fiscal 2020, we will bring together organizations across sectors to create large- scale, lasting solutions aimed at closing global employment gaps.	υ	We continue to grow our role as a collaborator, convener and thought leader, and to deliver research and insights to help drive systemic change. By partnering with a diverse set of organizations—including our nonprofit partners, clients, government agencies, employers and other stakeholders—we are able to develop innovative solutions and make an even greater impact.	17 PARTINEESH

GOALS & **Progress**

SYMBOLS

Ongoing U In Progress O Achieved

PILLAR	GOAL	PROGRESS	UPDATE	SDG*
ENVIRONMENT	Running Efficient Operations By the end of fiscal 2020, we will reduce our carbon emissions to an average of two metric tons per employee—representing a more than 50 percent reduction against our 2007 baseline.	U	By the end of fiscal 2016, we achieved a more than 47 percent reduction from baseline, reducing our carbon emissions from an average of 4.04 metric tons of CO_2 per employee in fiscal 2007 to 2.13 in fiscal 2016.	13 CLIMATE ACTION
	Running Efficient Operations By the end of fiscal 2020, we will improve our energy efficiency by 30 percent against our 2007 baseline.	0	In fiscal 2016, we achieved a more than 30 percent improvement against our 2007 baseline.	7 AFFERDABLE AN CLEAN DEBRY
	Enabling Client & Supplier 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.	υ	In fiscal 2016, we continued to pilot methodologies and began to measure the impact of our services with clients, resulting in potential reductions of more than 280,000 tons of CO ₂ .	13 CLIMATE
SUPPLY CHAIN	Supplier Sustainability By the end of fiscal 2016, all of our geographic Procurement teams will include environmental, social and governance (ESG) performance of prospective suppliers as a weighted factor for purchasing decisions in categories with the largest sustainability impact.	0	Today, all of our geographic Procurement teams include ESG performance of prospective suppliers as a weighted factor for purchasing decisions in categories with the largest sustainability impact (IT, travel, and workplace and facilities).	12 RESPONSIBLE AND PRODUCTION CONTRACTOR
	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.	υ	Through fiscal 2016, 70 percent of our suppliers disclosed their targets and 75 percent disclosed their actions toward emissions reduction.	13 CLIMATE
	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.	υ	Through fiscal 2016, we developed 101 small, medium and diverse suppliers through our DSDP, with multiple classes graduating in fiscal 2017.	10 REDUCED REEQUALTIES

OUR Reporting Approach

Our 2016 Corporate Citizenship Report, "Making a Difference," details the impact we made across each of the five pillars of our corporate citizenship reporting strategy: Ethics & Governance, Our People, Community Impact, Environment and Supply Chain. The report explores our corporate citizenship goals, progress and performance across our global operations during fiscal 2016 (ended August 31, 2016) unless otherwise noted. Our previous reports are available on <u>accenture.com</u>.

Accountability and transparency—which we believe create trust—are priorities for Accenture. We continually take steps to strengthen our reporting approach through ongoing stakeholder engagement and adherence to global non-financial reporting standards.

We use the <u>Global Reporting Initiative (GRI)</u> G4 Guidelines as a foundation for our annual reporting approach, and this report is prepared in accordance with the Core option.

The report serves as our eighth Communication on Progress to the United Nations Global Compact, which 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. As a LEAD member, we are committed to work toward implementing the <u>Blueprint</u> <u>for Corporate Sustainability Leadership</u>, and sharing related outcomes and learnings with the broader universe of companies in the Global Compact.

We disclose our key non-financial metrics in our <u>Performance Data Table</u>, including data from the last five years. More information about our global corporate citizenship activities, including our comprehensive <u>GRI Index</u>, <u>UNGC Index</u> and most recent <u>CDP response</u> is available on <u>accenture.com</u>. 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 information about Accenture can be found in our recent <u>Annual</u> <u>Report and 10-K</u> and <u>2016 Proxy Statement</u> on <u>accenture.com</u>.

STAKEHOLDER ENGAGEMENT

Fostering a dialogue with key stakeholders is an important part of our reporting process. It helps us understand and communicate which topics are most important to our stakeholders and to manage our business. We regularly engage internal and external stakeholders in discussions regarding our goals, our progress and our performance in an effort to improve our reporting.

We use input from a variety of stakeholders (see table below) to inform our reporting approach and align more closely with stakeholder expectations.

STAKEHOLDER EXAMPLES OF ENGAGEMENT GROUP

CLIENTS	Satisfaction surveys, client account leads, quality assurance, conferences and events
CURRENT ACCENTURE PEOPLE	Surveys, internal memos, internal communication channels, accenture.com, social media, Business Ethics Line
INVESTORS	Quarterly earnings calls, Investor & Analyst Conferences, responses to questionnaires, investor relations team
SUPPLIERS	CDP's Supply Chain Program, Supplier Standards of Conduct, Diverse Supplier Development Program, trainings
GOVERNMENTS, MULTI-LATERALS & POLICY MAKERS	See <u>Political Contributions and Lobbying</u> <u>Policy</u> , government relations team
NONPROFIT PARTNERS & FOUNDATIONS	Skills to Succeed delivery partners and global practitioner network; other nonprofit partners for employee volunteering and giving; advocacy and societal change groups; foundations and co-funding
POTENTIAL RECRUITS, ALUMNI & CIVIL SOCIETY	Social media, accenture.com, careers blog, alumni forums and events, news releases

REPORTING PRIORITIZATION

 \wedge

To address reporting prioritization, we reviewed our non-financial materiality matrix following changes in our business and operating environment. The prioritization of digital responsibility and human rights has changed to reflect the growing importance of these two areas to Accenture and our stakeholders. Over the past year, we have defined the areas of human rights that are most relevant to our business and operations, and have highlighted these within the materiality matrix.

Jrs Very High	 Energy Use Waste, Including E-Waste Water 	Carbon Emissions	 Inclusion, Diversity & Equal Opportunity* Talent Attraction & Development Employee Well-being*
Importance to External Stakeholders ^{High}	Environmentally Sustainable Procurement	 Community Giving, Engagement & Social Impact Compliance with Environment & Social Regulation Enabling Clients' Sustainability Top-level Governance of Environmental & Social Issues Human Rights in the Supply Chain* 	 Data Privacy & Security/ Cybersecurity* Ethics & Integrity* Employment Conditions and Working Practices for Our People* Digital Responsibility
Medium	 Supporting Suppliers' Sustainability Indirect Economic Impacts Direct Economic Impacts 	 Alignment with Voluntary Environment, Social & Governance Standards Consistency in Public Policy & Advocacy 	Supplier Diversity
	Medium	High Importance to Business	Very High

*Potential human rights impact

Note: The top two rows of the matrix represent the most important topics of our non-financial reporting, and serve as the basis for the topics included in our <u>GRI Index</u>. Our reporting may also address topics in the bottom row in order to raise stakeholder awareness of where we are focusing our overall corporate citizenship efforts. Topics excluded from this matrix are not considered relevant to our non-financial reporting.

A glossary of topics in the matrix below is available on <u>accenture.com</u>.

AWARDS & RECOGNITION

Recognized among **FORTUNE's World's Most Admired Companies** for 15 consecutive years; ranked No. 1 in IT Services category for 4 years

Ranked No. 18 on Thomson Reuters' Diversity & Inclusion Index

Ranked No. 14 on **CR Magazine's** 100 Best Corporate Citizens list

Recognized among Ethisphere's World's Most Ethical Companies for 10 consecutive years Included for 3 consecutive years on the CDP Climate A List

recognizing leading companies for reducing emissions and mitigating climate change

Recognized among *DiversityInc's* Top 50 Companies for Diversity for 10 consecutive years

Recognized among **Corporate Knights' Global 100 Most Sustainable Companies in the World** for the fourth time

Included on FORTUNE's 100 Best Companies to Work For list for 9 consecutive years

Ranked among the Top 10 on Working Mother's 100 Best Companies lists in the United States and India

Received a perfect score on Human Rights Campaign's Corporate Equality Index for 10 consecutive years Included on Dow Jones Sustainability Index North America & FTSE4Good Global Index for 12 consecutive years

ETHICS & GOVERNANCE

The way we innovate, collaborate and deliver value for our clients and our shareholders is grounded in our core values and shared business ethics. Our core values—Client Value Creation, One Global Network, Respect for the Individual, Best People, Integrity and Stewardship shape the culture of our company and serve as a foundation for how we act and make decisions.



OUR STRATEGY AND APPROACH

A commitment to ethics and compliance and strong <u>corporate governance</u> are key elements of Accenture's business strategy. These commitments we make are essential for us to continue to grow, differentiate ourselves from our competitors, and protect our people, brand and financial performance. They are part of the foundation on which we build trust with our clients, our people, our investors and other stakeholders.

This trust is demonstrated in the enduring relationships with our clients. Much of our business is built on long-term relationships—all of our top 100 clients have been clients for at least five years, and 98 have been clients for at least 10 years.

Our efforts to maintain and shape an ethical culture, including our Ethics & Compliance program, helped earn Accenture a spot on Ethisphere's 2017 <u>World's</u> <u>Most Ethical Companies list</u>. This marks our 10th consecutive year on the list and is recognition of our commitment to ethical leadership, compliance practices and corporate citizenship.

ACCENTURE LEADERSHIP RESPONSIBILITIES

We expect all leaders at Accenture—including our Board of Directors, Chairman & CEO, General Counsel & Chief Compliance Officer and Global Management Committee, which has ultimate accountability for running our business—to advocate for ethics and compliance and serve as role models of the highest ethical standards.

Our Chairman & CEO and other senior leaders set the tone for integrity and ethics by communicating clearly and often about our approach to ethics and compliance, including our zero tolerance for violations of law and for retaliation against employees reporting issues; and why a strong <u>Ethics & Compliance</u> program is an essential part of being a high-performance company and reaching our goals as a company.

CYBERSECURITY AND DATA PRIVACY

In an environment with new and continually changing security threats, technologies, and legislation, protecting privacy and the security of personal and business data—for our clients and for ourselves—is essential to maintain the trust of clients and our people. Protecting our clients, our people, and our own data and operations is a challenge that requires our most-sophisticated expertise and assets. It is also a core element of our commitments to uphold human rights—among them, the right to data privacy. True to this commitment, we behave appropriately whenever we access clients' strategic and confidential corporate data, and safeguard technology and data through threat identification, risk mitigation and controls validation.

In fiscal 2016, we brought together all our cybersecurity skills into one 5,000-person-strong team within Accenture so that we can better serve our clients within the rapidly changing landscape. Additionally, our new Data Ethics Research Initiative convenes leading thinkers and researchers from Accenture Labs and more than a dozen external organizations to explore the most pertinent issues of data ethics in the digital economy. The goal of this research initiative is to outline strategic guidelines and tactical actions businesses, government agencies and nongovernmental organizations can take to adopt ethical practices throughout their data supply chains.

With cybersecurity and data privacy deeply embedded in our operations, we want to maintain robust protection and comply with globally recognized privacy principles. We will continue to lead the way by expanding our focus beyond legal compliance to broader management accountability and data ethics. We will also continue to strengthen our data privacy program through regular risk assessments, and we have a comprehensive <u>privacy statement</u>. As companies innovate and become more digital, Accenture is taking a leadership role to help shape the new rules of the game within the realm of cybersecurity and data privacy. For example:

- We opened our <u>Cybersecurity R&D Lab in Israel</u> in 2016. The lab focuses on unique cybersecurity R&D projects in advanced threat intelligence, active defense and Industrial Internet of Things security by applying the latest developments in artificial intelligence, blockchain (the technology underlying virtual currencies like Bitcoin) and advanced analytics from across our global network of labs and innovation centers.
- We are working with leading academics on a prototype that would enable blockchains to be amended or redacted where necessary under responsible governance models.
 While we agree that blockchain has potential to change the world, we also know that an uneditable blockchain brings challenges to Accenture and our clients.
- Each year, we publish the <u>Accenture Technology Vision</u>, outlining our view of the top trends—including around cybersecurity and data privacy—in technology and perspectives on how that will impact companies, people and customers.

We also continue best practices for protecting and defending against threats in our operations. For example:

- We continue to strengthen our Client Data Protection program, which dictates how we protect our clients' sensitive information and comply with regulatory requirements. In fiscal 2015, the program received ISO 27001:2013 certification from the British Standards Institution (BSI), which is valid for three years, and demonstrates we are managing data safely and securely. The scope of the certification, among the most complex that BSI conducts, covers Accenture's client work from inception to completion around the world as well as our own business, including all Accenture data, people, client employee data and internal processes.
- We continue to have a robust incident response, with professionals with specialized, industry-recognized skills working around the globe to provide 24/7 response in addition to ongoing assessment of emerging threats and vulnerabilities.
- We provide guidance for Accenture people on evolving security threats through a global multi-channel awareness program.
- We routinely measure and benchmark our capabilities to validate our program.

DIGITAL TRUST AND CYBERSECURITY

Accenture develops insights to help our clients understand how to ethically use data and current strategies regarding cybersecurity. Recent reports include:

- <u>Building Digital Trust: The Role of</u>
 <u>Data Ethics in the Digital Age</u>—
 resulting from a collaboration
 between Accenture Labs and
 leading thinkers on data ethics
- <u>The State of Cybersecurity and</u>
 <u>Digital Trust 2016</u>
- Building Confidence: Facing the
 Cybersecurity Conundrum

BRINGING SOLUTIONS FOR REFUGEES' HUMAN RIGHTS

In recent years, more and more people have been forced to flee their homes because their basic human rights have been threatened. Faced with this global crisis, Accenture has collaborated closely with external partners to further refugees' human rights:

- Became a founding partner in former US President Obama's <u>Call to Action</u> to increase private-sector engagement in the global refugee crisis; participated in the Leaders' Summit on Refugees in 2016
- <u>Recognized on FORTUNE's</u> <u>Change the World list</u> for our involvement in biometric and identity management programs
- Recognized on the 2016
 Excellence in Social & Community
 Investment Awards for enrolling
 more than half a million refugees
 through UNHCR BIMS
- Published <u>"Connected Refugees:</u> <u>How Internet and Mobile</u> <u>Connectivity Can Improve</u> <u>Refugee Well-being and</u> <u>Transform Humanitarian Action</u>" with the UN High Commissioner for Refugees

HUMAN RIGHTS

We support and respect internationally recognized human rights within our organization and wherever we do business. Internationally recognized human rights are those expressed in the International Bill of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. Our commitment is demonstrated by our long-standing support, as a LEAD member, of the United Nations Global Compact (which we signed in January 2008), as well as our commitment to adhere to the United Nations Guiding Principles on Business and Human Rights.

Accenture knows that a fundamental component of ethical business conduct is supporting and respecting human rights within our company, our supply chain and the communities where we live and work. Support and respect for the protection of human rights are at the heart of our core values, especially Respect for the Individual, Best People and Integrity. Our commitment is anchored in our <u>Code of Business Ethics</u>, our <u>Supplier Standards of Conduct</u> and our global policies, including those that address data privacy, anticorruption, respecting the individual and <u>meritocracy</u>.

As a global professional services company, the topic of human rights focuses on areas that are most relevant to our business and operations. These include, but are not limited to, eliminating discrimination; ensuring a respectful environment for our people; ensuring the health, safety and security of our people; protecting the privacy and security of personal data and using personal data responsibly; and working against corruption in all its forms. In addition, we help ensure our suppliers respect human rights through their own operations. More information about our progress and performance in this area is available in the <u>Supply Chain</u> section.

CASE STUDY PROTECTING THE SECURITY OF IMMIGRANTS

EnterFinland helps the Finnish Immigration Service provide a more-efficient service to immigrants and their families. This work is part of how we provide solutions to help ensure the health and security of individuals.

CLIENT'S CHALLENGE:

Since 2010, residence permit applications in Finland have averaged 22,000 annually—around half of them to study or work. The Finnish Immigration Service, known as Migri, wanted to improve the immigration process by making it simpler.

OUR SOLUTION:

Migri engaged Accenture and Fjord (Accenture Interactive's design and innovation unit) to develop <u>EnterFinland</u>—a digital immigration service. We built an intuitive electronic service that enables users to complete the residence permit application in one sitting.

THE RESULT:

Six months after EnterFinland launched, 49 percent of all citizenship applications were made using the service, including 85 percent of students. Handling times for student applications are now 30 percent shorter.

SHAPING AN ETHICAL CULTURE

As a global organization, our ongoing challenge to build an ethical culture is twofold: first, to ensure that all of our people consistently model the ethical behaviors we expect; and second, to continue to identify local legal requirements quickly and to assess emerging areas of risk. To do this, we have adopted a five-element framework for our Ethics & Compliance program: leadership; risk assessment; standards and controls; training and communication; and monitoring, auditing and response. We conduct periodic compliance risk assessments covering our global compliance program areas—Anticorruption, Anti-Money Laundering, Competition Law, Data Privacy, Government Compliance and Trade Compliance.

CONDUCT COUNTS

In 2014, we launched Conduct Counts, a program that creates global standards of behavior for employee conduct that are culturally sensitive and locally relevant. Conduct Counts continually builds on our ethical culture by promoting five global standard behaviors, which further bring to life our core values and <u>Code of Business Ethics</u>.

We continue to monitor our people's understanding of these behaviors by conducting periodic Conduct Counts surveys about ethical behavior at Accenture in countries where we have a sufficient number of people to preserve anonymity. In fiscal 2016, we enhanced our Conduct Counts survey and once again achieved more than 90 percent awareness of our five global behavioral standards. We will continue to strive for at least 90 percent each year. Since inception, we have run the survey every other year, alternating groups of countries in the process; by early 2017, all countries will have completed the survey twice, which gives us improved data comparison points. After fiscal 2017, this survey will be implemented globally every two years.

OUR FIVE GLOBAL BEHAVIORAL STANDARDS

- We speak up about concerns, knowing Accenture never tolerates retaliation.
- 2. We treat each other with respect.
- 3. We are proud to be ambassadors of Accenture, and we act accordingly.
- We apply our principle of meritocracy when we make decisions about our people.
- 5. We ensure our personal interests and relationships don't create conflicts for Accenture.

more than



Conduct Counts will continue to be shared with country leadership, managing directors, other executives and all our people. For instance:

- We engaged managing directors in Australia, India and the Philippines through interactive digital workshops about how the behavioral tone of our company starts at the top, and built further awareness to create, promote and maintain an ethical environment.
- We created an innovative, animated video series that promoted our five global standards of behaviors and was distributed by our country managing directors to all people in their locations. Additionally, the videos are used in New Joiner Orientation, community meetings, local training sessions and elsewhere.

CODE OF BUSINESS ETHICS

One of our most important written standards is our Code of Business Ethics (COBE). It builds on our core values by providing greater detail about expected behaviors and drives our culture of compliance, ethical conduct and accountability. It starts with a simple proposition: We always act with integrity and we always act in compliance with the law. Our COBE reiterates that we have zero tolerance for corruption in any form, and it applies to all Accenture people-directors, officers and employees in every country-and every Accenture entity. In addition, third parties, such as consultants, agents and suppliers, are required to comply with the Code of Business Ethics when acting on Accenture's behalf. We encourage our people to speak up if they have a good faith concern about disrespectful or inappropriate conduct, or unethical or illegal behavior of any kind.

We adjust our curriculum each year. In fiscal 2017, we are requiring all Accenture people to complete at least one hour of required Ethics & Compliance training on our Code of Business Ethics: Conduct Counts and Information in the Digital Age. In addition, depending on career level, role or activities, individuals may be required to take additional training on Anticorruption, Trade Compliance, Avoiding Insider Trading and Anti-Money Laundering; we also require cross-border travelers to take Visa and Immigration Compliance training. All courses provide specific scenarios and examples that are relevant to Accenture's business and risks. Each year, our annual required training evolves to keep current with changing laws, policies and business needs. In fiscal 2016, we simplified our policies website to make it more accessible and easier for our people to explore, and concentrated the COBE training on taking action when one experiences or witnesses disrespectful or inappropriate behavior. We also enhanced the user experience by making training, COBE and policies viewable on multiple additional platforms and devices, all to better enable our people to make good decisions. Completion rates continue to be in the high 90th percentile, which is an indicator of program success. We consider our required Ethics & Compliance training to be so essential that failure to complete it each year is factored into annual compensation-related decisions (as permitted by law).

WHAT HAPPENS IF AN ACCENTURE PERSON RAISES A CONCERN?

Accenture takes seriously all concerns raised. Whether concerns are raised to a supervisor, career counselor, an Accenture leader, or Human Resources or Legal representatives, the matter will be handled by the most appropriate global or local team.

We may handle issues through discussions with relevant work colleagues, Accenture leaders, local Human Resources Employee Relations or, if the circumstances require it, with formal investigations conducted by our Legal group. We handle all concerns confidentially and with sensitivity.

Anyone who has engaged in misconduct that involves violation of law, our Code of Business Ethics or an Accenture policy will be subject to discipline regardless of a person's seniority, position or contribution to Accenture.

For many reasons, including respect for an individual's privacy, we can't always disclose what disciplinary measures were taken. So even though the person raising the concern might not know the exact outcome, we assure individuals that every concern raised is appropriately addressed.

Accenture has zero tolerance for retaliation against anyone who speaks up in good faith. Retaliation means any kind of unfair treatment, whether subtle or overt. There are serious consequences for those who attempt to retaliate, up to and including termination.

CORPORATE GOVERNANCE

Accenture's corporate governance matters are covered in our <u>2016 Proxy</u> <u>Statement</u>, as well as our <u>Corporate Governance Guidelines</u> and Amended and Restated Memorandum and Articles of Association, which form the Board's governance framework. These documents outline the role of the Board, diversity within the Board and key governance practices. Our Board takes an active role in Board succession planning and refreshment, and works toward creating a balanced Board with fresh perspectives, geographic, age, gender and ethnic diversity, and deep experience (average tenure is 4.8 years). With the retirement of three Board members (two of whom were women) in February 2017, 30 percent of the 10 members of our board who are independent are women, making us a leader in board diversity around the world.

RECENT GOVERNANCE ACTION

Actions taken in recent years demonstrate the company's commitment to strong corporate governance. These actions include our proactive adoption of proxy access at our 2016 annual general meeting; our continued Board refreshment and shareholder outreach program, during which we reached out to our largest investors and had discussions regarding our corporate governance philosophy, our Board and its current composition; and other topics of interest to our investors.

CORPORATE CITIZENSHIP GOVERNANCE

Accountability to advance corporate citizenship at Accenture starts at the top with our Chairman & CEO and cascades through our business, including the use of performance objectives relating to corporate citizenship. For example, achieving our global corporate citizenship goals is considered in the performance evaluation and compensation of our most senior leaders, including our Chief Strategy Officer and Chief Operating Officer.

A LOOK AHEAD

In fiscal 2017, we will continue to make progress toward our goals and address our challenges by:

- **Continuing** to focus on cybersecurity and data privacy in relation to our company, our people and our clients.
- **Refreshing** our COBE to help our people to better understand what behavior is required, locate policies and other resources more easily, and make the right day-to-day decisions.
- **Holding** additional Conduct Counts workshops and providing portable, local delivery to improve awareness and uptake.

OUR **PEOPLE**

As a talent-led organization in this new digital era, Accenture is unequivocal about putting people first. Our professionals make extraordinary contributions to our clients' businesses, and these efforts fuel our own business results. Putting people first means going beyond current industry workplace best practices and creating next-generation practices in learning and development, inclusion and diversity, and the employee experience.



OUR STRATEGY AND APPROACH

Our talent ambition is to be the best place for the most highly specialized talent in the world, because our people are our largest and most important investment. In today's digital world, the very concept of work is being redefined as different generations enter and exit the workforce amid a rapidly changing technological landscape. Our leadership imperative is clear: create the future workforce—now.

Accenture's talent strategy focuses on being a top employer of choice for top talent and developing our people; advancing an inclusive and diverse environment; and supporting an engaging employee experience. Ultimately, our aim is to create rich and rewarding careers that are unmatched in the industry, while staying ahead of our clients' needs with nexthorizon skills.

ATTRACTING AND DEVELOPING TALENT

PREPARING FOR THE WORKFORCE OF THE FUTURE

Today's digital revolution heralds an age of "technology for people." That is, rather than people adapting to technology, technology is now adapting to us. Likewise, in this Fourth Industrial Revolution, we have the opportunity not just to automate the work people do, but to amplify human potential. Accenture is innovating our talent practices for the digital age with the goal of attracting, developing and inspiring people on their terms.

Technologies such as artificial intelligence will liberate us from process-oriented tasks to concentrate on more human, creative and judgment-based work. For example, in our Operations business, we have 4,000 automated "mini-bots" for our transaction-processing activities. In the last two years, automation replaced 17,000 roles at Accenture, but no one actually lost their job. Instead, we reskilled our people to take on higher value roles in analytics and other next-horizon skills—creating entirely new job categories. Our own experience of implementing these new technologies at scale has seen the skills of our people elevated and not eliminated—all while being highly responsive to our clients.

In fact, as part of our <u>insights around strategic</u> workforce planning, we found more than one in three managers said creative thinking, experimentation and digital/technical "know-how" were needed to succeed in their roles in five years. Our rationale: While machines have limitless computational power,

humans bring nuanced judgment—so the two should work hand in hand. To further address changing skill demands, we announced an alliance with Applause in 2016 to help our clients build a more liquid workforce with unprecedented access to a global network of application-testing talent, including more than 60,000 women crowdtesters. We are using crowdsourcing to supplement rather than replace traditional staffing capabilities—providing flexible access to on-demand talent that can improve application quality, accelerate software releases and

ATTRACTING DIVERSE TALENT

deliver an enhanced customer experience.

In fiscal 2016, we sharpened our focus on building the overall STEM talent pipeline to help address the existing skills gap in the global marketplace.

We are collaborating with Girls Who Code (GWC) in the United States to help close the gender gap in technology by equipping young women with the computing and professional skills they need to pursue technology careers. Together with GWC, we conducted new research on the subject of girls and young women in computing. Our research shows that women's share of US computing jobs will continue to decline if we do not act. Our study, entitled <u>"Cracking the Gender Code,"</u> recommends a fresh approach that engages girls in junior high school and sustaining

DRIVING GENDER EQUALITY IN THE GIG ECONOMY

To support gender parity in the labor market, Accenture developed a technology prototype that increases hiring transparency, identifies pay disparities, eliminates bias and enables equal pay negotiations. We unveiled the prototype at the US White House <u>#HackThePayGap</u> demo day, as part of a nationwide effort to encourage the development of tools and products to close the gender pay gap.

We will also use the prototype to enhance our internal online talent sourcing tools.

"By developing the technology to increase the visibility of the challenges that exist in the rapid hiring process, our prototype can help reduce bias and increase fairness in this fast-growing segment of the economy."

Mary Hamilton, Managing Director - Accenture Labs their interest throughout their college education. This has vast implications for the US economy, as we simply cannot meet the demands of the digital economy by continuing to ignore half of the talent pool.

Our research estimates that a more-targeted approach, clearly focused on girls, could triple the number of women working in computing from 1.2 million today to 3.9 million by 2025. This would take females' share of jobs from 24 percent to 39 percent in that time frame. It would also greatly relieve the pressure on US businesses that have been crippled by the skills shortage and have not been able to build skills fast enough to meet the needs of the rapidly changing job market.

Beyond our work with Girls Who Code, our <u>Accenture Future</u> <u>Technology Leaders Program</u>, created for STEM students to collaborate and learn about technology careers, reached more than 500 students across 13 countries since it launched in fiscal 2014. In fiscal 2016, we conducted an in-depth review of the program, which demonstrated early success but was facing rising attrition rates. Based on our learnings, we recognized an opportunity to change course and make a bigger impact. We expanded the program content to include broader topics and connected students with more diverse backgrounds globally to each other and Accenture leaders using a virtual conference and crowdsourcing. Existing participants will graduate as planned, but as of November 2016, students will take part in our more flexible offering to help diverse talent and learn more about careers at Accenture.

In India, Accenture, in partnership with Yahoo!, hosted the fifth season of <u>#Innovation Jockeys</u>, the hunt for India's most <u>"Innovative</u> <u>Minds."</u> Open to students pursuing undergraduate, graduate and post-graduate courses, the contest was focused on finding the most promising technology innovations in three categories: detecting fraud and preventing business malpractice, creating an inclusive digital India, and empowering women. Select eligible participants received offers to join the Accenture workforce in India.

ACCELERATING SPECIALIZED AND DIFFERENTIATED SKILLS AT SCALE

At the heart of our commitment to our people are the steps we take to help them progress professionally in order to grow our business. In fiscal 2016 alone, we invested US\$941 million to develop our people, primarily through Accenture Connected Learning our virtual campus of connected classrooms, more than 800 digital learning boards and thousands of online courses—which supports learning anywhere, anytime.

In 2015, we set an ambitious goal to build a global network of 100 connected classrooms by the end of fiscal 2016. As of the end of 2016, we expanded our network to 80 classrooms, and while the number of classrooms fell short of our goal, we continue to enhance our technology capabilities and increase the number of countries with connected classrooms to 34 (up from 24 in fiscal 2015). Classrooms are currently under development in additional countries and cities as we seek to align with local office priorities and real estate arrangements. As such, we are extending the time frame of our goal of 100 connected classrooms to the end of fiscal 2018.

Accenture Technology has made significant progress helping practitioners pivot to the "New IT" in liquid delivery; technology areas like Cloud, Digital and Security; and next-generation methodologies like Agile Development and DevOps. By the end of fiscal 2016, more than 53,000 practitioners became conversant in the New IT. Through our New IT training program, Accenture Technology has prioritized skill investments to meet specialized demand in real time, addressing clients' needs and making Accenture the largest independent technology services provider. We aim to help 150,000 Accenture Technology people become conversant in new development approaches by the end of fiscal 2017 so that they can better serve our clients. We will continue to introduce similar skilling programs across Accenture Consulting, Accenture Digital and Accenture Operations.

In addition, we transformed skill assessments by experimenting with an algorithm to calculate proficiency for our people using Accenture data. With more accurate skill-proficiency data, our distinct businesses can make better talent-management decisions—contributing to Accenture's ambition to be the best place to work for the most highly specialized people in the world.

Finally, to put our skills to practice, we launched Future Camp, a new facility dedicated to promoting design thinking and innovative concepts that can deliver business results through rapid prototyping and liquid development. At Future Camp, which is located in Kronberg, Germany, clients, Accenture experts, technology providers and start-ups work together to share, develop and test ideas for digital innovation.

PIONEERING PERFORMANCE ACHIEVEMENT

In fiscal 2016, we introduced Performance Achievement—our revolutionary approach to performance management—across Accenture. Performance Achievement shifts away from annual review processes, and instead is designed to support the rich diversity of our people and our five businesses to deliver a unique employee experience for all.

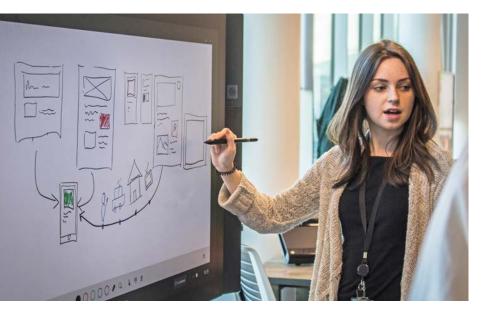
Our digitally enabled approach is grounded in research that reveals what really drives individual and team performance. Studies show that high performance happens when people know what is expected, can apply their strengths, and receive ongoing coaching and feedback. This sounds simple, but represents a bold new direction and challenge in terms of scalability for all of us. We are taking a "progress is greater than perfection" approach, learning and enhancing as we go.

Through experimentation, listening to the voice of our people and agile execution, we brought the full Performance Achievement experience to life in fiscal 2016. Accenture people completed approximately 250,000 strengths assessments, and more than 314,000 of our people defined their hyper-personalized priorities. This is enabling us to better understand their skills and aspirations, and provide all our people realtime feedback—on an ongoing basis throughout the year—to accelerate career development.

DEVELOPING LEADERS AT ALL LEVELS

Our leadership development programs concentrated on building a stronger pipeline of key client leaders in fiscal 2016, with a focus on hyper-personalization, coaching and fostering leaders at all levels. Notable initiatives included:

- The launch of a women's virtual leadership development program designed to help further careers. Through self-paced online exercises, discussion circles and monthly virtual group discussions led by women leaders, participants exchange diverse insights and strategies for growth.
- The introduction of a multifaceted, "lead-by-doing" experience for Accenture managing directors to develop them from within—building on their natural abilities, while expanding their skill set and mindset in a real-world, digitally enabled environment.
- The premier of the Women in Technology program to fast-track the careers of high-performing females toward the role of Technical Architect. With more than 1,100 participants, our technology leaders spend 18 months serving as mentors to women who are at mid-career levels.



Leading a meeting at Accenture The Dock in Dublin, Ireland, where teams come together to tackle some of society's biggest problems on a daily basis.

CASE STUDY INCREASING PRODUCTIVITY AND EMPLOYEE ENGAGEMENT

With Accenture's help, Metso is addressing its business performance goals. By digitizing its people management functions, Metso can now move with greater agility and innovation, better positioning the company to address a competitive global marketplace and respond to the needs of its employees.

CLIENT'S CHALLENGE:

Metso, a leading industrial company, recognized that its people were critical to its ongoing competitiveness and success. However, with a global workforce spread over 50 countries and a variety of HR information systems in place, the company lacked standard people management processes or tools to support its ambitious goals.

OUR SOLUTION:

Accenture helped Metso improve the quality of its global HR processes, including compensation and talent management, by implementing a cloud-based human capital management platform.

THE RESULT:

Metso's new standardized, cloud-based human capital management solution drastically improved efficiency and productivity, increasing transparency and enhancing data quality and security. For hundreds of planning managers, that means cutting time spent on annual salary planning in half.

ADVANCING AN INCLUSIVE, DIVERSE ENVIRONMENT

We continue our unwavering commitment to diversity with the goal that everyone has a full sense of belonging in our organization. As a business imperative, everyone at Accenture has the responsibility to create and sustain an inclusive environment. Our leaders around the world, including members of our Global Management Committee (GMC) who sit on the <u>Accenture Diversity Council</u>, have helped shape our five Inclusion & Diversity global priorities: women; lesbian, gay, bisexual and transgender (LGBT); persons with disabilities; cross-cultural diversity; and ethnic diversity.

In fiscal 2016, we built additional accountability measures into our leaders' expectations, established a sustainable leadership framework through appointed GMC members who champion our diversity segments and created locally relevant governance, for example, creating a diversity council in Japan.

Transparency creates trust—and in fiscal 2016, we reported the demographics of our workforce in markets around the world, including the <u>United States</u>, <u>South Africa</u> and <u>ASEAN</u> countries.

WOMEN AT ACCENTURE

Gender diversity and equality are essential for a high-performing organization, and we have sharpened our focus on attracting, advancing and retaining women, which is critical to our future.

By the end of 2016, as a result of our efforts, women accounted for:

- 28 percent of Accenture executives, which comprises managers, senior managers, managing directors, senior managing directors and members of our Global Management Committee;
- 39 percent of our global workforce; and
- approximately 44 percent of new hires.

We surpassed our goal of 40 percent women new hires worldwide by 2017 a year early, demonstrating our ability to attract a promising share of female top talent. Since announcing the goal in 2015, we made steady progress through personalized outreach, virtual career fairs and Google Hangouts, university partnerships, and referral and mentoring programs geared toward women. Last year, to help create more rigor around diversity hiring, we put in place objectives for our leaders across our businesses. Additionally, we changed our interview process so that all candidates get to know more members in the executive ranks.

hired more than



DIGITAL CAN (AND IS) CLOSING THE GENDER GAP

Accenture research revealed how digital can help close the gender gap:

- If governments and businesses can double the pace of digital fluency for women, <u>we could reach</u> <u>workplace gender equality</u> by 2040 in developed countries.
- If we act now to address the widening gender gap in the US computing workforce, we can triple the number of women in computing by 2025.

We recognize the path to gender parity is a challenging one. The number of women in STEM graduates is limited (and shrinking), and the task of educating tens of thousands of managers on the value of hiring and managing a diverse team is monumental. To keep us focused, we have set a new goal: to grow our percentage of women managing directors to at least 25 percent worldwide by 2020.

In 2016, our Chairman & CEO and Chief Leadership & Human Resources Officer were <u>founding members</u> of the Paradigm for ParitySM coalition, an organization of business leaders dedicated to addressing the corporate leadership gender gap.

Additionally, we support the UN Global Compact Women's Empowerment Principles, which help the private sector promote gender equality in the workplace, marketplace and community.

In 2016, women accounted for 30 percent of our newly promoted managing directors, the largest percentage of women ever promoted to this level at Accenture, and up from 29 percent in 2015. Of the combined promoted managing directors and senior managing directors, women comprised 29 percent—also a record and up from 28 percent in 2015.

Each March, we punctuate our commitment to gender equality by celebrating International Women's Day (IWD). In 2016, our IWD events brought together Accenture people, recruits, alumni and more than 3,000 clients across more than 300 events in 49 countries to have meaningful conversations about what it means to be "greater than."

We also teamed with women directors at MOFILM, a global community of filmmakers, to showcase stories of women across the globe breaking barriers and giving back to their communities.

Accenture people in the Philippines celebrate #BeingGreaterThan at our 2016 International Women's Day event.



EXTENDING OUR COMMITMENT TO PAY EQUALITY

Accenture worked with the US White House to craft an equal pay pledge for private-sector companies, announced at the <u>United State of</u> <u>Women Summit</u>. We are proud to be among the <u>original 28 signatories</u> and are pleased that more than 50 companies have pledged to ensure pay equality.

LESBIAN, GAY, BISEXUAL, TRANSGENDER EQUALITY

We know creating a workplace of inclusion and leveraging the power of social collaboration is key to successful businesses—and we are using that momentum to help drive conversations that lead to actions supporting our LGBT people all over the world.

"Leveraging the digital revolution to challenge inequality, spread ideas and catalyze change... is key."

Andrew Wilson, Chief Information Officer and Global LGBT Network Sponsor, Accenture

Accenture sponsored Pride and Prejudice, which launched in 2016 and will continue in 2017 as a global LGBT conference and initiative to catalyze fresh debate on the economic and human costs of discrimination against the LGBT community. Events in Hong Kong, London and New York each brought together hundreds of leaders from the worlds of business, politics and civil society to examine LGBT business issues.

We also organized and hosted two convening events to discuss LGBT issues in the workforce among top media and business leaders. First, at the January 2016 World Economic Forum in Davos, <u>a panel</u> <u>discussion</u> focused on the rapidly changing international landscape of corporate LGBT issues. Second, as part of our annual Pride Month celebration in June, we hosted an external global webcast with our clients at The Procter & Gamble Company to convene a business panel of LGBT leaders and highlight diversity stories and programs.

To help keep our people connected throughout the year, we also launched an LGBT mentoring program and an internal mobile app to connect our community of more than 12,000 allies around the globe. It helps them network virtually, learn about local events they can attend when traveling and video conference in real time through Skype for Business. At the same time, we continue to foster partnerships between global and local LGBT teams—39 countries have an LGBT local chapter, all represented by an LGBT local lead who is the driving force behind the program.

In fiscal 2016, we implemented non-gendered policies, including gender-neutral bathroom policies, in India and the Philippines. We also created a tool for our LGBT people to confidentially selfidentify in our systems, giving us data and insights to help identify gaps in career progression. However, the complexity of the local context—including local culture and data privacy laws—has presented challenges to launching this initiative at the country level, specifically in Europe. We remain focused on taking a measured approach to increasing transparency, where the law permits, to grow and mature our LGBT programs across countries where we operate.

Accenture received a perfect score (100 out of 100) on Human Rights Campaign's Corporate Equality Index 2016 for the tenth consecutive year.

PERSONS WITH DISABILITIES

We welcome people with different abilities, perspectives and experiences because we believe that this diversity invites novel ideas and approaches to business challenges, a higher level of innovative thinking and a wider variety of tactics that help achieve greater levels of success.

In fiscal 2016, we established the Accessibility Council, comprising senior leaders who help guide accessibility decision making at Accenture. We also increased our focus and education campaigns on mental health. For example, through the Mental Health Allies program in the United Kingdom, we held interactive workshops to equip our people with the knowledge to support their colleagues and help promote understanding both in and outside of the workplace by normalizing mental health conversations.

Our priority has been to make Accenture's key global information and reporting tools accessible to persons with disabilities. We have made our online training system fully accessible, and other tools are being evaluated and remediated. By the end of 2017, we aim to reach 100 percent accessibility across these key tools and will design all future tools with accessibility in mind. Additionally, for the first time in 2016, our larger workplace audit addressed three key areas related to workspace accessibility gaps: mobility impairments assistance; hearing and vision impairments assistance; and communications and signage accessibility. We also look for ways to remove barriers to employment for persons with disabilities outside Accenture by working with organizations that empower persons with disabilities with job and skills training, such as Enable India; collaborating with others to drive awareness and action, such as speaking at the International Labour Organization's Global Business & Disability Network annual meeting in Geneva; and by promoting initiatives to recruit persons with disabilities at many of our offices around the world, as we did when we piloted a talent-acquisition program for people with hearing impairments in conjunction with Enable India.

ETHNIC DIVERSITY

We celebrate the diversity of opinions that may be influenced by a variety of ethnic backgrounds and can improve the way we work together as a team every day. To be transparent, we disclosed externally the demographics—including ethnicity—of our <u>US</u> <u>workforce</u> for the first time in fiscal 2016, becoming the first professional services firm to do so. We are releasing updated diversity numbers each year in both the United States and South Africa.

In partnership with Accenture's Diverse Supplier Development Program, the Accenture African Caribbean Network (AACN) in the United Kingdom hosted a training workshop for a select group of African Caribbean owners of small- and mediumsized businesses. In this workshop, AACN volunteer facilitators trained attendees on the application process for diverse suppliers and how to shape their businesses for diverse supplier certification. This training supports the efforts of underrepresented suppliers and will help increase the presence of black-owned British businesses in the UK market.

In early July 2016, following violence and increased racial tensions in the United States, Julie Sweet, CEO of North America, convened our first-ever "Building Bridges" town hall on race. The webcast was hosted with Ellyn Shook, Chief Leadership & Human Resources Officer, and drew more than 4,000 Accenture people. Ninety-seven percent of attendees found the opportunity to listen and learn from others valuable, and the conversation sparked an ongoing dialogue with follow-up meetings across our local offices. "Tackling a company-wide conversation about race was a risk well worth taking, especially as an employer with a large percentage of Hispanic Americans and African Americans who were in pain. It goes back to our role as a company."

Julie Sweet, Chief Executive Officer – North America, Accenture

CROSS-CULTURAL DIVERSITY

Accenture aims to provide our people with the resources and training needed to work effectively across cultures, either virtually or face-to-face, because a diverse workforce brings with it a broader skill base, creativity and innovation that enables high performance.

Each May, our offices around the world celebrate United Nations' World Day for Cultural Diversity for Dialogue and Development. Accenture people share in cross-cultural activities, local celebrations and awareness-building campaigns. In 2016, we opened our annual global webcast, featuring our people and an external cross-cultural expert, to a broader audience for the first time, extending the conversation to our clients, partners, recruits and alumni.

In fiscal 2016, we introduced a new cross-cultural certification program. Once certified, Accenture people serve as learning coaches to lead workshops, instruct teams and facilitate cross-cultural dialogue. In 2017, we will offer a "train-the-trainer" program to aid in the development of Accenture project teams and clients interested in refining their management and communication skills with cross-cultural teams.

SUPPORTING ENGAGING EMPLOYEE EXPERIENCES

We strive to build a truly human environment where our people are enabled to be their best, professionally and personally. Our goal is to retain top talent by creating an employee experience based on transparency, hyper-personalization and listening to our people. Our culture significantly affects how our people work—and how they work affects how they live—so we continually strive to create a culture that cares about all aspects of our people, including their lives outside of Accenture. Some of the ways we do this include fostering well-being; we also listen to our people to understand their feedback, find out what matters to them and capture their best ideas.

FOSTERING EMPLOYEE WELL-BEING

We are committed to providing our people with programs that help them take care of themselves and their families and that fit with their lifestyles. It is important to our people that they are healthy and their work/life is in sync. In fiscal 2016, we introduced a new wellness offering in the United States called Accenture Active that includes easy-to-use apps, integrated technology and innovative programs that make the experience achievable, fun and rewarding. Within four months, 60 percent of our people (and their spouses or partners) had participated.

We continued to collaborate with Arianna Huffington, partnering with Thrive Global and the Sleep Revolution in support of our ongoing commitment to employee well-being. This includes interactive live workshops customized to local cultures in Argentina, India, Ireland, Japan and the United States, as well as personal assessments, ongoing coaching and weekly tips designed to help individuals take "micro steps for macro benefits." "Teaming with Thrive Global is an important step forward in advancing our focus on the whole person—helping our people to not only achieve a sense of belonging and purpose, but to be physically energized and mentally focused in our hyper-connected, digital world."

Ellyn Shook, Chief Leadership & Human Resources Officer, Accenture

INVOLVING AND LISTENING TO OUR PEOPLE

It is important we continue to receive feedback on the employee experience, so in fiscal 2016, we made sure our people continued to be heard.

We conducted an anonymous US survey with questions spanning four key dimensions:

- Body—Our people are fueled by sleep, exercise, nutrition and time away from work to renew.
- Mind—Our people are focused, productive and leverage their strengths daily.
- Heart—Our people are connected to their teams, trust the leadership and people they work with, and maintain personal relationships.
- Soul—Our people are valued and experience meaning and purpose.

In addition to quantitative results, our people also provided feedback of their true sentiments about assumptions, work practices and pain points they experience day to day; this was achieved through a series of human-centered design sessions (similar to focus groups) across six of our major offices. Each session was facilitated through the lens of four employee personas, where our people ideated solutions based on the challenges each persona was facing professionally and personally.

The survey results and session feedback have helped us better understand the needs of our people. We are integrating new work practices that will help us work smarter. For example, an immediate outcome was the release of a team success toolkit that stresses the importance of focusing on the "whole" person at work—professional and personal goals—and includes sentiments from our people, conversation starters, suggested work practices and research supporting new behaviors. Ultimately, our goal is to enable our people to be physically energized, mentally focused, emotionally connected and working with a sense of purpose (body, mind, heart and soul).

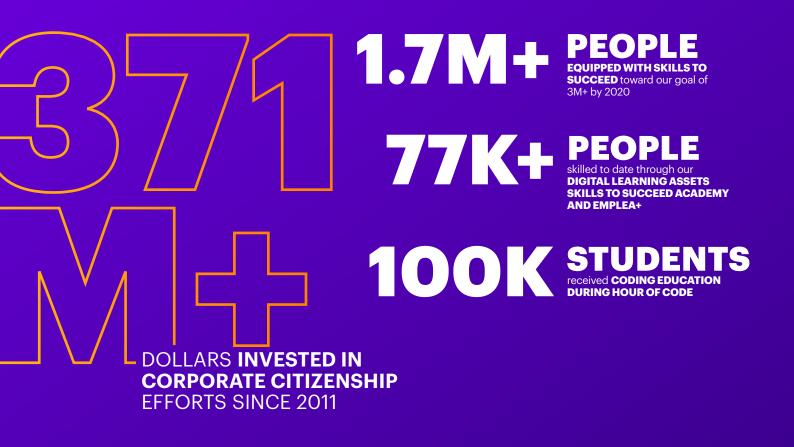
A LOOK AHEAD

In fiscal 2017, we will continue to make progress toward our goals and address our challenges by:

- **Using** data and analytics to understand where we need to make investments in our workforce and what roles and skills we need to meet the needs of our clients.
- **Expanding** our Performance Achievement focus to include a greater emphasis on harnessing the power of the team.
- **Reimagining** our marquee leadership development programs.
- Increasing the transparency of our diverse-workplace reporting to help understand where we need to improve—and to celebrate our successes.
- **Creating** a more accessible workplace for persons with disabilities.
- Helping our people be successful in the digital age: physically energized and mentally focused with a sense of culture and purpose.

COMMUNITY IMPACT

At Accenture, we believe it is our responsibility to address some of today's most pressing societal needs. We drive innovation to improve the way the world works and lives—for our clients, our people and our communities. We leverage our global capabilities and digital experience to make a measurable difference around the world, including closing unemployment gaps through **Skills to Succeed**.



OUR STRATEGY AND APPROACH

Digital technologies are transforming every facet of our society, creating new opportunities and challenges while fundamentally altering the way we live, work and interact. The use of technology can change lives for the better by allowing businesses, governments and nonprofits to tackle societal challenges in new and innovative ways. At the same time, the unprecedented pace of change is disrupting society faster than individuals and communities can adapt.

Accenture is committed to confronting these complex issues by harnessing our ecosystem of strategic partners and our global reach. Through our corporate citizenship initiative **Skills to Succeed**, we are teaming with other companies and organizations to advance employment and entrepreneurship opportunities worldwide. **Skills to Succeed** supports three of the United Nations' Sustainable Development Goals: quality education; decent work and economic growth; and partnerships for the goals.

We are continually evolving our corporate citizenship programs not only to meet the priorities of today, but to anticipate the needs of tomorrow. Since 2011, we have invested more than US\$371 million in corporate citizenship efforts to help our communities thrive.

POWERED BY OUR PEOPLE

Globally, Accenture employs approximately 401,000* people who bring to life our vision to improve the way the world works and lives. They deliver the same commitment, innovation and bold vision to our corporate citizenship efforts as they do to our clients. In turn, we design our corporate citizenship initiatives to encourage and facilitate their involvement.



Melissa Moloney, Senior Manager – Accenture Technology, talks with a Year Up student during an Accenture-led class in Miami.

Melissa Moloney, a US-based senior manager, has worked at Accenture for 20 years, advising government and healthcare organizations as they navigate transformational changes. Today, as a pro bono project lead, she applies her knowledge and experience to help Accenture's nonprofit partners on a full-time basis.

One of the organizations she advises is Year Up, which empowers low-income young adults with the skills, experience and resources to reach their professional potential. Melissa was instrumental in launching a Miami, Florida-based program in the United States where Accenture volunteers train Year Up participants in Java and other technical skills preparing them for an opportunity to work as entry-level programmers at a large financial services company. The program has resulted in internships and full-time jobs for many of the students.

"Leading this work means that I am able to bring the best of Accenture—our best skills, talents and assets—to our nonprofit partners. I'm so thankful that our company enables us to do this. It shows Accenture is a true corporate citizen that cares about its employees and communities."

VOLUNTEERING AND GIVING

We help our people maximize their impact by providing convenient channels through which they can offer their time, expertise and financial donations to our nonprofit partners. During fiscal 2016, Accenture people donated more than US\$9.1 million to charitable causes through company-sponsored channels. They also contributed more than 700,000 hours to company-sponsored corporate citizenship activities during work hours, including pro bono consulting projects, as well as more than 180,000 hours of their own time through Accenture-facilitated volunteer events.

Our global online volunteering platform, myCorporateCitizenship, makes it easy to volunteer thousands of Accenture people use the site to find and register for projects. Additionally, in Canada and the United States, our myGiving websites provide a variety of ways for our people to make charitable donations to their causes of choice. In the spirit of continuous improvement, we are currently refreshing our employee volunteering program to ensure that it reflects the ever-evolving priorities and interests of our people.

Accenture Global Mapathon: Using digital to help enable humanitarian aid

Many of the parts of the world that are most vulnerable to humanitarian crises—including natural disasters and disease epidemics—are not "mapped," meaning there is no publicly available record of buildings, roads and other topographical features in the area. Our Global Mapathon brought together Accenture volunteers from offices in 42 cities to map newly charted regions using a digital tool called OpenStreetMap. In 24 hours, Accenture volunteers mapped more than 41,000 buildings, 9,000 villages, 15,000 roads and 230,000 people.

This information will make it easier for governments, aid organizations and other entities to reach and support these regions during times of need.

SKILLS TO SUCCEED

Unemployment is a persistent and critical issue around the globe, and the skills gap continues to widen. In fact, according to the International Labor Association, global unemployment may reach 200 million by the end of 2017. At the same time, Manpower Group estimates that 40 percent of employers globally report talent shortages.

Accenture's **Skills to Succeed** corporate citizenship initiative advances employment and entrepreneurship opportunities for individuals around the globe, leveraging digital innovation to drive impact at scale and help close employment gaps. Since 2010, **Skills to Succeed** has helped equip more than 1.7 million people around the world with the skills to get a job or build a business.

We are continuously evolving **Skills to Succeed** to address the most urgent workforce needs around the world. Approximately 65 percent of children entering primary school today ultimately will hold jobs that do not currently exist, as cited in the World Economic Forum's Future of Jobs report. In the current environment of digital disruption, we are increasing our focus on predicting and preventing future skills gaps:

- We are closing skills gaps today—to immediately help individuals who need to earn a living, as well as employers who need to fill open positions.
- We are preparing the next generation to thrive in tomorrow's digital economy, helping them build digital and business skills at an earlier age.

Our **Skills to Succeed** initiative is also focused on using technology to improve employment and entrepreneurship outcomes for vulnerable populations including women, persons with disabilities, immigrants and refugees. Together with our strategic partners, Accenture works to promote equality and inclusiveness, and to ensure that our beneficiaries reflect diverse backgrounds, cultures and experiences. In fiscal 2016, 50 percent of our beneficiaries around the world were women. For many nonprofit organizations, it can be challenging to keep up with the pace of technology change while continuing to address the needs of beneficiaries. As we evolve our own strategies and programs, we bring our nonprofit partners along on this journey. In 2016, we began using our Accenture Innovation Architecture to deliver Innovation Workshops to our strategic nonprofit partners, helping them to identify ways technology can help them better achieve their missions while preparing for future needs.

Collaboration is critical to the success of **Skills to Succeed**. With deep relationships across sectors, Accenture is uniquely positioned to bring together a diverse coalition of organizations to create largescale, lasting solutions for global unemployment.

CLOSING SKILLS GAPS FOR IMMEDIATE IMPACT

The rapid pace of technological change, combined with the movement of different generations into and out of the workforce, is fundamentally changing the concept of work. Workers must continually reinvent themselves and embrace lifelong learning to stay relevant and keep pace.

Accenture's global reach and breadth of experience allow us to understand local market requirements and to develop targeted programs that align talent supply with employer demand. In each region, our local corporate citizenship teams tailor skilling programs to help transition people in our target demographics to locally in-demand jobs.

To address the urgent skills gaps that exist today, we are leveraging technology to drive scale. We aim to equip more than 3 million people by the end of fiscal 2020 with the skills they need to get a job or build a business.

We are also committed to helping our beneficiaries successfully transition to employment and entrepreneurship. We measure the impact of our programs through key outcomes including increasing competitiveness in the job market; building sustainable businesses and enterprises; and creating employment opportunities for others.

SKILLING AT SCALE THROUGH DIGITAL LEARNING

We leverage our training and technology expertise to create innovative digital learning assets that extend the reach and impact of our initiatives across multiple geographies. These assets will allow us to engage hundreds of thousands of job seekers around the world over the next four years.

Examples include:

Emplea+: Using technology to develop skills needed for employment

People without education—and with limited skills face significant challenges accessing employment through the ordinary labor market.

To address this gap in both technical and soft skills, we created <u>Emplea+</u>. Developed in 2013 in collaboration with the Spanish Ministry of Employment and a cross-sector consortium of nonprofit partners and corporations, Emplea+ is a unique online program that can help marginalized individuals develop key competencies needed for employment.

To date, more than 33,000 beneficiaries across Africa, Europe and Latin America have used Emplea+ to improve their employability—and we expect to reach more than 150,000 people by 2018.

Skills to Succeed Academy: Tackling youth unemployment through online learning

The Accenture <u>Skills to Succeed Academy</u> is a digital, interactive program that helps disadvantaged young people develop critical employability skills and the confidence to make smart career choices. The program, which opened its virtual doors in 2013 in the United Kingdom, recently expanded to Australia, Ireland and South Africa, and will be available in the United States in late 2017. Since its launch, **Skills to Succeed** Academy has skilled more than 44,000 young people and is expected to reach an additional 150,000 youth globally during the next four years.



After applying for more than 200 jobs in 18 months, Richard turned to **Skills to Succeed** Academy for guidance. Richard is now a pension data analyst at a company in London, England.

"Following the Skills to Succeed Academy course, I completely reformatted my CV, which generated more interest and got me a job placement on the assessment day."

Richard, **Skills to Succeed** Academy Participant

USING TECHNOLOGY TO IMPROVE EMPLOYMENT AND ENTREPRENEURSHIP OUTCOMES

Skills to Succeed is also focused on using technology to improve employment and entrepreneurship outcomes. Our skilling programs are designed with job placement and long-term career agility in mind. We team with our strategic partners to offer job-readiness training, mentoring, vocational and technical training, and new career programs.

Examples include:

Fundación Entreculturas: Leveraging technology to skill job seekers

Combining Accenture's technology capabilities with the <u>Entreculturas</u> network, we are creating an innovative, marketoriented virtual learning program for disadvantaged young people in more than 20 countries across Africa, Europe and Latin America.

Together, we are leveraging our Emplea+ digital learning platform to skill students at more than 350 schools, and have developed a job-placement service to connect participants with local employers.

In total, we expect to provide 175,000 youth with much-needed job skills by the end of 2018, and we anticipate that 60,000 of them will obtain employment. To date, we have skilled approximately 140,000 youth.

Cherie Blair Foundation for Women: Empowering female entrepreneurs

In developing countries, women often lack access to education and employment. That's why Accenture is working with the <u>Cherie Blair</u> <u>Foundation for Women</u> to provide African women with the financial and business training they need to be successful entrepreneurs. To date, we have trained more than 16,000 women entrepreneurs, more than 15,000 of whom have started or grown businesses.

The Foundation also provides women entrepreneurs around the world with access to online training modules on a wide range of entrepreneurial topics, including business plan development and investor readiness. Accenture people are proud to be a part of this global network of virtual mentors.

ACCES: Preparing immigrants for a new job

In Canada, Accenture is helping ACCES Employment develop a new digital platform to deliver skills training and professional services to 56,000 immigrant job seekers through the end of 2018. We anticipate that more than 12,000 beneficiaries will secure jobs in sectors including financial services, sales, IT and engineering. This end-to-end online services platform will help ACCES expand its career-skills training and placement services across Canada, assisting immigrants who already have arrived and supporting global pre-arrivals approved for entry, as well as those applying through Canada's new Express Entry Program.

Accenture volunteers serve as mentors, helping beneficiaries build their resumes, prepare for interviews and develop entrepreneurial skills.

Upwardly Global: Using technology to help immigrants and refugees

Starting over in a new country can be overwhelming. Even immigrants and refugees who come to the United States with professional work experience and advanced education often struggle to find sustainable employment.

To help this talent pool better integrate into the US economy, Accenture helped Upwardly Global build its online job training platform, which equips job seekers across the United States with acculturation, job search and technical skills. Accenture people volunteer with Upwardly Global to provide job search preparation and coaching.

Through fiscal 2016, approximately 4,400 job seekers have used the online training created by Accenture, and approximately 2,000 of them have secured professional positions. To date, Accenture has hired 19 Upwardly Global alumni.

ACCENTURE AS A SKILLS TO SUCCEED EMPLOYER

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 jobreadiness and market-relevant skills through **Skills to Succeed**. 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.



STORY OF EMPOWERMENT

Although a television producer in his native Nepal, when Sujan first arrived in the United States he worked at a doughnut shop to make ends meet. <u>Upwardly Global</u> connected him with Accenture, where he ultimately landed a position with Accenture Broadcast, using his technology and production skills to connect our people and clients around the globe.

Examples include:

Accenture in the Future: Hiring technical talent from lowincome communities

With <u>Accenture in the Future</u>, developed in partnership with Rede Cidadã and Instituto Ser Mais in Brazil, we are providing low-income individuals with the business and technical skills they need to build meaningful, lasting careers in technology—and the opportunity to be hired by Accenture. To date, the program has trained more than 340 young people, over 200 of whom have found full-time employment more than 140 of them at Accenture.

Since the program's inception, hundreds of Accenture volunteers have donated their time to serve as mentors to Accenture in the Future students.

Movement to Work: Helping young unemployed people launch careers

As a founding partner of <u>Movement to Work</u>, Accenture is teaming across sectors in the United Kingdom to provide unemployed young people from disadvantaged backgrounds with a path to entry-level jobs.

Participants gain practical skills, high-quality training and work experience at 240 participating employers—including Accenture, where placements focus on technology and digital skills.

Since 2013, more than 55,000 Movement to Work participants have gained placements, and more than 50 percent of those completing placements have found employment or other positive outcomes. Of those individuals, more than 500 found technology-focused placements at Accenture, and more than 120 of those went on to be hired for full-time roles at Accenture or other employers.

PREPARING THE WORKFORCE OF THE FUTURE

Technological innovation, including the rise of artificial intelligence, has far-reaching implications for tomorrow's workforce. **Skills to Succeed** aims to provide the next generation of workers with the marketable skills required to prepare for and thrive in the digital economy of the future.

This includes addressing the glaring gap between the demand for STEM skills and the availability of qualified talent. For example, the United States produced 500,000 computer science jobs in 2015 but fewer than 40,000 computer science graduates. The European Centre for the Development of Vocational Training expects demand for STEM professions in Europe to grow by 8 percent by 2025.



STORY OF EMPOWERMENT

Natali (left) spent 10 years working as a bartender, but when she moved to be closer to family in Recife, Brazil, she had difficulty finding a job. Her wife found an opportunity for job training at no cost through Rede Cidadã, and they both applied. Natali joined Accenture in 2014, and is now a new associate in Accenture Operations, IT Customer Service, conducting system monitoring for a Products client; her wife also works for Accenture. Natali hopes to continue to grow in her career, pursue a degree in Technology Management and take English courses so that she can one day work for Accenture abroad.

Early exposure to computer science is crucial to helping prepare the next generation of workers for careers in technology. Our youth-facing programs aim to educate students early on, especially young women and minorities, by encouraging and inspiring them to learn digital skills.

Additionally, automation will compromise jobs only if more advanced human skills—such as leadership, analytical thinking, creativity and emotional intelligence—are not developed at a faster pace.

Examples include:

Girls Who Code: Preparing young women to thrive in the digital economy

The gender gap in computing is getting worse. Unless we take action now, the number of women in the US computing workforce will shrink in the next 10 years. This skills shortage has severe implications for America's place in the global economy, and for the future of women.

Our <u>Cracking the Gender Code</u> research, conducted in collaboration with Girls Who Code, indicates that girls who are exposed to technology by their early teens are more likely to embrace future opportunities for digital learning and to seek careers in computer science. For this reason, Accenture is collaborating with Girls Who Code to inspire, educate and equip young women with computing and professional skills that will enable them to pursue technology careers.

Accenture hosts Summer Immersion Programs and year-round <u>Girls Who Code</u> clubs across the United States, offering skills training and exposure to realworld business and mentorship opportunities in technology. To date, our partnership has helped more than 450 girls gain technology skills, including approximately 100 girls who have participated in our Summer Immersion Programs. We also support Girls Who Code alumnae as they transition into higher education and employment, both through an online community group and Accenture internships. Since launching our collaboration with Girls Who Code, Accenture people have volunteered more than 3,300 hours with the organization.

Hour of Code: Creating opportunities for underrepresented groups in STEM

In December 2016, Accenture volunteers delivered more than 14,000 hours of coding education to more than 100,000 students in 56 countries through Hour of Code. Teaming with Code.org, our people around the world helped inspire, develop and grow the next generation of technology talent, and encouraged students from diverse backgrounds to pursue careers in technology.

We also provide ongoing grant and pro bono support to Code.org, a nonprofit organization dedicated to expanding access to computer science, and have joined with other major businesses, elected officials and educators to encourage increased funding for computer science education for primary and secondary school students in the United States.

CoderDojo: Making programming fun for students

In 2016, Accenture partnered with CoderDojo, a worldwide network of volunteer-led clubs that provide free instruction in programming languages to students ages 7 to 17, to launch the <u>first Accenture Dojo</u> at Silicon Docks in Dublin, Ireland.

This new facility is one of the newest in a network of more than 1,150 "Dojos" in 66 different countries where students can learn the basics of coding in a fun and stress-free environment. More than 70 coding students, also known as "ninjas," have attended Accenture's CoderDojo events in Dublin to date.

KIPP: Empowering students in underserved communities

Together with KIPP (Knowledge Is Power Program), a national network of public charter schools in educationally underserved communities across the United States, Accenture created Future Focus, a college- and career-readiness program. Future Focus has helped more than 8,000 KIPP students and alumni in nine US cities identify careers of interest, build critical job skills, network with potential employers and prepare for success in college. Since 2011, we have helped arrange for more than 400 partner organizations to provide internships and applied learning opportunities to more than 1,700 KIPP students and alumni, including more than 220 KIPP students who have interned at Accenture.

We have also supported the KIPP Through College program, which provides KIPP high school students and alumni—almost all of whom are or will be firstgeneration college students—with the tools and support they need to be successful. With Accenture's support, KIPP has been able to build formal partnerships with more than 80 universities and colleges around the country.

INNOVATING FOR SOCIAL CHANGE

At Accenture, we take an innovation-led approach to helping our clients, people and communities "imagine and invent" the future. To this end, we have created a social innovation architecture that allows us to develop sustainable, disruptive and scalable solutions to address a wide range of complex societal issues across multiple sectors and geographies.

From our research, ventures and labs, to our studios, innovation and delivery centers, we are using emerging technology to improve the way the world works and lives.

REFUGEE TALENT HUB: A DIGITAL HUB THAT DELIVERS HOPE

For refugees, a job is a critical step toward integrating into society. In the Netherlands, Accenture created the Refugee Talent Hub—a platform that helps refugees build relevant skills and uses an algorithm to match them with employers. The Refugee Talent Hub works to increase a refugee's knowledge and experience by facilitating the education, language skills, job training, coaching and mentoring necessary for an eventual employer match. The program has the strong support of the Dutch government and 70 other partners.



Pierre Nanterme, Accenture Chairman & CEO (second from right), helps celebrate the launch of the Refugee Talent Hub. <u>Read Pierre's blog on</u> <u>Talent Hub</u>.

ACCENTURE DEVELOPMENT PARTNERSHIPS

Accenture Development Partnerships works with leading international development organizations to address the world's social, economic and environmental issues, and has delivered more than 1,100 engagements spanning more than 70 countries over the past 13 years.

Examples include:

Amref Health Africa: Using mobile technology to educate health professionals

By 2035, there will be an estimated shortfall of 12.9 million skilled health professionals in Africa. Community health workers are vital to addressing this gap, but training these workers via traditional face-to-face methods poses a number of challenges, including high costs, geographic reach, poor longterm engagement and an inability to rapidly mobilize in times of crisis.

Amref saw an opportunity to use mobile technology to fill this gap. To achieve this, Accenture Development Partnerships and Amref created a unique cross-sector partnership including the Kenyan Ministry of Health, M-Pesa Foundation, Safaricom and Mezzanine. The combined world-class expertise and funding resulted in "LEAP," a leading mobile health learning application designed for basic mobile phones, which are ubiquitous in Sub-Saharan Africa.

GAUTENG DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

With hundreds of projects under way simultaneously, managing infrastructure delivery in South Africa's most populous province of Gauteng is highly complex. Lack of coordination and effective project oversight had been leading to wasted resources, project overruns and public disaffection with the government's ability to deliver what citizens need.

Accenture collaborated with the Gauteng Department of Infrastructure Development (GDID) to select, design and implement the technology solutions to support a new project-management system that would also support community outreach and engagement. GDID's impact also extends to job creation, and the new reporting system can validate how jobs were created, what type of activities the beneficiaries engage in and the resulting social economic benefit to the community.

Through LEAP, community health workers can access continued training through their mobile device, engage in peer learning through social media, strengthen supervision through direct access to supervisors, and get updates and campaign messages to rapidly mobilize and respond to outbreaks.

To date, the project has trained 3,000 community health workers in Kenya and more than 300,000 households have benefited from the improved knowledge and services of community health workers.

University of Notre Dame Initiative for Global Development: Helping rural communities thrive with solar energy

Accenture Development Partnerships worked with the University of Notre Dame Initiative for Global Development and local grassroots nonprofit organizations in Northern Uganda and South Africa to conceptualize, design and implement solar-powered microgrids in several remote communities in Uganda and South Africa. The Connectivity, Electricity and Education Entrepreneurship (CE3) program strengthens local businesses and increases employment opportunities by providing a sustainable source of electricity, internet connectivity, and access to skilling courses tailored to local context and developed by Accenture learning experts. Through the CE3 mentorship program, more than 200 Accenture employees from 48 Accenture offices across the globe have donated more than 1,400 hours to mentoring Ugandan entrepreneurs through the process of building a strong business plan, accessing seed capital and building a sustainable business.

Through **Skills to Succeed**, we expect to help CE3 equip more than 3,350 entrepreneurs with information technology and entrepreneurship skills by June 2017, and help create approximately 2,500 jobs or start-up businesses.

CASE STUDY EMPOWERING VULNERABLE YOUNG WOMEN

By revamping the data-collection process and helping community facilitators to register beneficiaries on the go, GPower enables Child in Need Institute (CINI) to proactively intervene and ensure a better future for underprivileged children. At the societal level, GPower empowers young women and builds community awareness around potentially harmful behaviors.

CLIENT'S CHALLENGE:

Thousands of human trafficking cases occur each year in West Bengal, India. Lured by the promise of good jobs or marriage, women and children—especially young girls—end up sold into prostitution in cities such as Mumbai and New Delhi.

OUR SOLUTION:

GPower, short for Girl Power, is an innovative mobile-based solution jointly developed by Accenture Labs in Bengaluru and CINI. It uses cloud technologies and analytics in real time to track vulnerabilities of adolescent girls and facilitate access to government services for education, protection, health and nutrition.

THE RESULT:

GPower currently is utilized by more than 6,000 families in 20 villages in West Bengal, India, and has succeeded in saving more than 200 girls from trafficking and child marriage in a single year.

FJORD FIRST LIGHT: BRINGING THE INTERNET TO THE ISLAND OF IDJWI

The island of Idjwi, located in Lake Kivu in the Democratic Republic of the Congo, had no internet access. This made it difficult for the island's many small businesses, such as coffee growers and a textile manufacturing cooperative, to liaise with buyers on the mainland.

Together with Ensemble Pour la Difference, Fjord (Accenture Interactive's design and innovation unit) brought connectivity to the island using internet mesh networking, a process where an internet access point on the main grid is first transmitted long distance by high-powered Wi-Fi antennae, and then spread out over an area via a web of homemade antennae.

In addition to enabling Wi-Fi access, Fjord also created a public access system, as very few islanders have a device that can access the internet. The system includes screens displaying news and weather at the island's busiest market and internet kiosks that enable islanders to call, text and go online.

TECH4GOOD

As part of our broader focus on using technology to improve the way the world works and lives, Accenture Labs' Tech4Good initiative leverages digital innovation to drive a positive social impact. To date, this initiative has resulted in a wide variety of socially minded partnerships and programs.

Digital Healthcare: Saving lives via remote monitoring technology

Accenture is at the forefront of turning recent advances in healthcare technology into practical solutions. In 2016, Accenture Labs partnered with a UK-based digital healthcare company to create the Accenture Remote Patient Monitoring System, a wearable digital bandage that delivers efficiency and cost savings to hospitals and improves patient outcomes by allowing providers to continuously monitor patients' vital signs remotely and in real time. Within one week of deployment at a leading hospital chain in Asia, this innovative wearable solution helped save a patient's life. Using data analytics, the Accenture Remote Patient Monitoring System can help predict an impending health crisis and contact the appropriate medical professional or facility, if necessary. The solution is easy to scale and is truly revolutionizing patient safety, particularly for underserved populations.

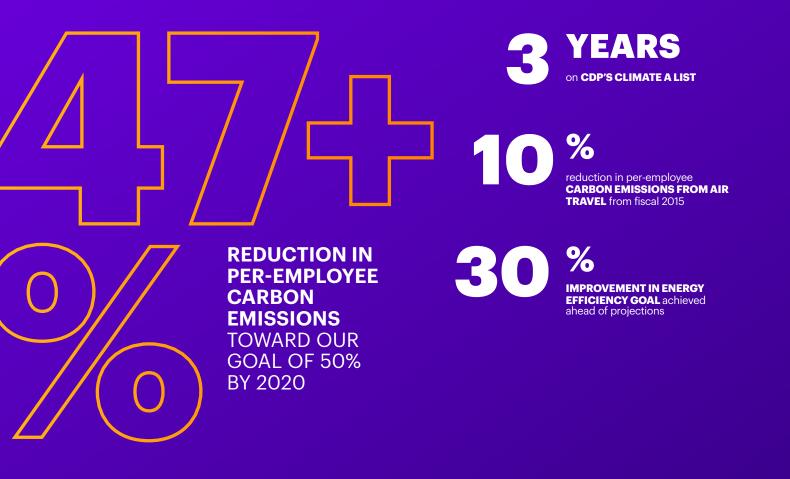
A LOOK AHEAD

Looking ahead to fiscal 2017, we will continue to make progress on our goals and address our challenges by:

- Exploring how digital technologies will impact jobs—particularly for the disadvantaged and those likely to be displaced—and identifying the core skills people need to thrive in the digital economy.
- **Continuing** to improve the impact and reach of our digital learning assets by leveraging new technologies and learning from what has worked well across our initiatives.
- **Creating** prototypes and solutions with our partners that apply new technologies (for example, artificial intelligence, the Internet of Things and virtual reality) to societal challenges.
- **Supporting** our nonprofit partners as they navigate the digital revolution through innovation workshops and insight projects.

ENVIRONMENT

Accenture's environmental strategy is focused on fostering sustainable economic growth for our company and our clients. Through more efficient and intelligent digital technologies—and by encouraging the ingenuity of our people as they embrace new ways of working—we will achieve our environmental goals for 2020 and do our part to ensure a brighter future for our planet.



OUR STRATEGY AND APPROACH

Our environmental strategy focuses on three areas: running efficient operations that reduce emissions and other impacts; enabling client and supplier sustainability; and engaging our people, leaders, partners and other stakeholders as we work to implement this strategy.

Through strategic adoption of cutting-edge technologies and practices, and by encouraging our people to identify and implement innovative environmental solutions in their daily work, we are driving sustainable growth through a unique mix of technology and the creation of a digital collaborationfocused culture.

Environmental impact is ingrained in our <u>Code of</u> <u>Business Ethics</u> and our <u>Core Values</u>, specifically Stewardship. These inform our <u>Environmental</u> <u>Responsibility Policy</u>, which our <u>Environment</u> <u>Steering Group</u> established in 2007, updated in 2017, and reviews annually.

Accountability for our environmental strategy starts with our <u>Chairman & CEO</u> and cascades to our governance bodies, which oversee our environmental policy and corporate objective of fostering environmentally sustainable growth.

RUNNING EFFICIENT OPERATIONS

As a leading professional services company, our environmental footprint consists primarily of the carbon emissions that our people generate through air travel and the use of electricity. We are continuing to explore new ways to make our operations even more efficient, in particular through the use of digital tools. To meet our goal of reducing carbon emissions to an average of two metric tons per employee by 2020, we have set three priorities: leveraging technology for direct energy savings; increasing renewable energy sources; and shaping a culture of digital collaboration that lowers the expectation of and the need for travel.

Since setting our initial carbon target in fiscal 2008, we have reduced our <u>per-employee carbon emissions</u> by more than 47 percent against our fiscal 2007 baseline. This reduction is equivalent to avoiding approximately 3.4 million metric tons of CO_2 —or the annual electricity usage of about 500,000 North American homes.

The path to reduced environmental impact is not always predictable. Progress in some areas accelerates rapidly when new technologies become available, while other changes develop at a more measured pace. For example, we have used smart metering for a number of years—but we only recently used it to gamify measurement of energy reductions and drive behavior change through our <u>International Energy Efficiency Tournament</u>.

LEVERAGING NEW TECHNOLOGIES FOR ENERGY MANAGEMENT

Managing our energy use helped make fiscal 2016 the most energy-efficient year in our company's history. Since the outset of our energy management programs in fiscal 2007, the collective electricity efficiency of our offices around the globe has improved by more than 30 percent, allowing us to achieve our 2020 energy-efficiency target ahead of projections. We reached this milestone by continuing to execute our environmental strategy, increasing efficiencies and improving infrastructure, and using energy-monitoring capabilities in our new facilities and existing operations.

These improvements have accumulated over time, helping us cumulatively save more than 960,000 megawatt hours of electricity and more than 560,000 metric tons of CO_2 since 2007. These efficiency gains also avoided more than US\$125 million in energy spend over the same time period.

RECOGNIZED ON CDP'S CLIMATE A LIST

Since 2007, we have reported our environmental performance to CDP (formerly the Carbon Disclosure Project). <u>Our response to CDP's</u> <u>Climate Change program</u> reflects our commitment to climate change mitigation and adaptation. In 2016, Accenture was included for the third consecutive year on CDP's <u>Climate</u> <u>A List</u>, which highlights self-reported levels of action for the top 9 percent of participating companies.

SAVING CARBON BY REDUCING TRAVEL INTENSITY

In fiscal 2016, our efforts to invest in virtual collaboration technology—along with strategic shifts in our delivery model by maximizing use of our <u>Global Delivery Network</u>—reduced our air travel carbon emissions per employee by more than 10 percent from fiscal 2015.

Thanks to the widespread use of collaboration technologies, continuing operational rigor in our delivery model, and an increased focus on virtual and regionalized training, we avoided more than 40,000 metric tons of CO_2 , saved more than US\$150 million in travel costs for Accenture and our clients, and improved work-life balance for our people around the world.

MORE EFFICIENT LIGHTING AND COOLING

Accenture has identified enormous potential to make a difference in environmental sustainability by maximizing the use of new and digital technologies in our day-to-day operations.

Frankfurt innovates with a smart LED hub

For example, in fiscal 2016, we installed a cutting-edge lighting system in our Campus Kronberg office in Frankfurt, Germany. The lighting system covers six floors, uses custom-manufactured LED ceiling-suspended luminaires, and is powered and controlled using Power over Ethernet (PoE). This eliminated the need for a traditional wiring installation and instead uses plug-and-play Ethernet cabling to power, control and relay information to the system's controllers.

Adding sensors to the system turned it into a smart LED hub where each luminaire collects information on ambient lighting, humidity, temperature and occupancy, and communicates it back to the central hub. Its flexible automated control also has eliminated the need for light switches. The system switches on and adjusts the lighting if someone occupies a space, and does the reverse when they leave.

Core hour and set-back programs ensure that the system operates at its most-efficient levels, and the daylight harvesting capability built into all the luminaires makes the most of daylight hours by adjusting intensity. The combined effect of LED, PoE and smart hub technology has helped reduce carbon emissions and increased energy efficiency.

Tokyo renovates for more-efficient temperature regulation

In Tokyo, Japan, our Akasaka Intercity office increased comfort and reduced air-conditioning costs by 32 percent (and energy usage by approximately 20,000 kWh/year) by creating a more open layout equipped with the latest in smart heating, ventilation and airconditioning (HVAC) technology.

During the planning phase, digital temperature sensors were placed throughout the office to measure the current environment. The sensors revealed that window-facing offices were often the warmest or coldest, while temperatures in the rest of the office were inconsistent.

Through renovation, we eliminated exterior-facing enclosed rooms, opening up the rest of the space and allowing more daylight to penetrate deeper into the open-plan office. Thanks to this change in layout, "hot" and "cold" areas were reduced by 60 percent, decreasing the temperature gaps and lessening demand on the HVAC system.

INCREASING RENEWABLE ENERGY SOURCES

Our renewable energy initiative—part of our supply chain sustainability strategy—aims to accomplish the following:

- Reduce greenhouse gas emissions and per-person carbon footprint
- Reduce energy costs
- Significantly contribute to our environment goals

To achieve these objectives, our source-to-pay and environment teams are investigating the most effective strategies to procure renewable energy in fiscal 2017 and beyond. This initiative continues to be supported by our Energy Management <u>As-a-Service</u> team, which continues to provide insights into best practices in renewable energy.

In fiscal 2016, use of renewable energy contributed to our reductions in per-employee carbon emissions, and allowed us to avoid more than 50,000 metric tons of CO_2 across our global operations. This represents a decrease of approximately 2 percent from 2015, attributable to changes in office locations.

We are currently reviewing all of our locations globally to identify opportunities to purchase renewable energy instead of non-renewable grid energy, with a special focus on Argentina, India, the Philippines and the United States. However, the fact that we do not own our office buildings limits our ability to self-generate renewable energy or enter into contractual agreements with local renewable energy suppliers on our own. We continue to encourage our landlords to pursue cost-feasible, locally available renewable options for tenants or to allow us to pursue them ourselves.

To see which of our locations are using renewable energy, visit our <u>Environment Impact Map</u>.

SMART METERING

Since 2010, remote energy monitoring, or smart metering, has enabled us to make more-informed decisions about energy consumption through real-time monitoring. By the end of fiscal 2016, we had installed more than 570 smart meters in our facilities worldwide. Smart meters provide a number of advantages including increased reliability and improved energy management, which have reduced our energy costs.

ONGOING EFFORTS TO ASSESS AND REDUCE ENVIRONMENTAL IMPACT

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 environmentally responsible practices. Additionally, our Global ISO 14001 certification sites serve as incubators for innovations that can be shared with other Accenture locations worldwide.

In addition to our focus on reducing our electricity usage, we also seek to minimize water consumption across our business. While our operations are not water-intensive, we work with our building management companies to promote the careful use of water, implementing improvements where practical. Collaboration technology helps reduce our need for travel, yet also poses its own challenge: technology upgrades that necessitate disposal of obsolete electronic waste (e-waste). In fiscal 2016, we maintained strong results for responsible disposal of e-waste. More than 99 percent of our total disposed equipment—more than 76,000 laptop and desktop computers weighing 360 metric tons—was disposed of by methods avoiding landfill, primarily through supplier reclamation and responsible disposal vendors.

To see our ISO-certified locations and locations that use smart metering, visit our <u>Environment Impact Map</u>.

USING DIGITAL TOOLS TO DRIVE OPERATIONAL EFFICIENCIES

Our <u>internal IT organization</u> plays a major role in helping to mitigate our environmental impact. We use digital technology to collaborate, learn and connect with our teams and clients, increasing our engagement while reducing the cost, time and carbon emissions associated with travel.

Global live-stream broadcasting as a means of virtual face-to-face interaction is a staple at Accenture. In fiscal 2016, Accenture Broadcast averaged more than 500 events per quarter, with more than 8 million minutes of live and on-demand content, including all-employee webcasts, telepresence conferences and external events. With nine fully equipped Pop-In Studio locations globally—and more planned for fiscal 2017—we make recording video communications accessible to our people across strategically located Accenture offices, reducing the need for crew or participants to travel.

In 2016, we averaged more than 200 million audio and 9 million video minutes per month across multiple collaboration tools. In fact, Accenture is one of the largest global users of Skype for Business[®]. Approximately 800 of our clients communicate with Accenture people easily and securely over communication platforms. Mobile apps also are crucial to our digital success. We are launching task-specific apps that give our people the ability to do precisely what they need, when—and where—it is needed. Our people already are using similar apps to connect with each other, expand their careers, acquire new skills and increase their clientservice focus.

SMART WORK PROGRAM

Smart Work helps our people explore alternative travel arrangements, such as working one or more weeks a month from local Accenture or home offices or client sites as appropriate. It also encourages people to make smart decisions about travel spending, take advantage of tools and technologies that help employees reduce the need for travel, and avoid travel-based carbon emissions. In addition to advancing environmental stewardship, Smart Work helps enhance work/life integration, the morale of our people and the quality of service we deliver to our clients.

In North America, which is our highest-travel region, we developed collaboration tools and resources to help client teams implement Smart Work, and many already have implemented one or more components to facilitate strong connections between team members who work remotely. Improving employee engagement is just as important as driving carbon reductions, and client teams have seen increased employee engagement as a result of these programs.

CASE STUDY IMPROVING ENERGY EFFICIENCY THROUGH SMART BUILDING

In just 18 months we helped a client save more than 2 million kWh of electricity and more than 135,500m³ of natural gas. In one year, the client reduced its energy usage by more than 9 percent, equivalent in carbon impact to growing a 60-millionsquare-foot forest in a year.

CLIENT'S CHALLENGE:

A hospitality company was facing cost pressures related to energy consumption at one of its flagship hotels in North America. The company engaged Accenture to help save money and reduce its carbon footprint.

OUR SOLUTION:

We implemented Accenture Smart Building Solutions (ASBS), a suite of innovative, industry-leading data integration, analytics and programmanagement solutions to help reduce power consumption and identify equipment optimization opportunities.

THE RESULT:

ASBS allowed us to reduce the frequency and impact of building equipment faults, cut carbon emissions, enhance guest comfort and reduce equipment downtime. We created dashboards to measure performance and report results monthly, enabling the client to track progress and understand the impact of corrective actions.

ENABLING CLIENT AND SUPPLIER SUSTAINABILITY

In alignment with our Environmental Responsibility Policy, our 2020 environmental goals drive us to report progress on the impact of our initiatives to enable client sustainability. To that end, in fiscal 2016, we identified key client services with the highest carbon abatement potential; piloted measurement approaches with client projects; and began to industrialize our approach. The Client Carbon Savings program is a critical component of our environmental strategy and a significant differentiator for Accenture in the market.

The program vision is to:

- Help clients realize the potential positive environmental impact of the work Accenture delivers.
- Lay the foundation for Accenture to achieve its environmental fiscal 2020 target of measuring and reporting the impact of our work with clients in key areas of sustainability.
- Support our development and project teams in deploying new strategies and tools to capture, measure and report carbon savings.

Not only do our client and supplier sustainability initiatives advance Accenture's environmental objectives, they also contribute to the long-term sustainability goals of our clients. In fact, we are one of only a few companies that track the impact of our carbon-reduction activities on clients and other stakeholders, alongside our key project deliverables.

ACCENTURE CLIENTS IMPROVE BUSINESS AND ENVIRONMENTAL PERFORMANCE

Companies have begun to recognize that sustainable practices are not simply a matter of adhering to rules on climate stewardship or managing risk and reputation, but that they can be a major source of growth and innovation when they are designed and led well. Additionally, the proliferation and maturity of digital technologies in the last decade has created business models that are not only changing customer experiences and consumption habits, but doing so in inherently resource-efficient ways.

As enterprises are starting to put sustainability and technology at the heart of their business strategies, we see this powerful combination—if harnessed effectively—shifting sustainable business from a long phase of pilots and peripheral efforts to a new era of large-scale transformations. In fiscal 2016, we identified some instances when our clients experienced carbon reduction in addition to business value.

Examples include:

Accenture Zero-based Budgeting

When Accenture delivers Zero-based Budgeting (ZBB) projects for our clients, they can reinvest savings for growth, but they often get more than business-performance improvement. In addition to the more than US\$250 million in annual savings our clients realize when we work with them to implement ZBB programs, we estimate that over the last five years, our clients have also reduced carbon emissions totaling more than 60,000 metric tons of CO_{2} .

Accenture Energy Management As-a-Service

Accenture is ideally positioned to help clients implement energy-management programs that drive substantially more value than previous offerings in the market. Accenture Energy Management As-a-Service is a dynamic platform that delivers energy performance improvement via shared deep-domain energy management experts; extensive market intelligence; and proprietary cloud-based technology and analytics. In 2016, we identified more than US\$270 million in cost savings through smarter energy management actions. Clients partnering with Accenture identified more than 220,000 metric tons of potential CO₂ savings.

CONVENING PARTNERS AND CLIENTS FOR CLIMATE SOLUTIONS

As Accenture strives to advance the global environmental and climate agenda, a key role we play is helping our clients and our industry become responsible stewards of the digital transformation taking place. As a collaborator, convener and thought leader, we invest in research and development to help advance both business strategies and technology solutions that help our clients, partners and suppliers improve their sustainability performance.

Highlights from 2016 include:

United Nations initiatives

In June 2016, Accenture published <u>The United Nations</u> <u>Global Compact-Accenture Strategy CEO Study 2016</u>, <u>Agenda 2030: A Window of Opportunity</u>. The study finds business leaders accepting a mandate to take the lead in solving societal challenges. The survey of more than 1,000 CEOs, who already are committed to sustainability through their participation in the UN Global Compact, shows that they now see a unique opportunity to reshape their industries and accelerate progress toward the Sustainable Development Goals.

World Economic Forum initiatives

Through our pro bono work, Accenture supports the World Economic Forum's global project to design and deliver public-private partnerships that aim to produce tangible climate results through 2020 and beyond. Our Chairman & CEO Pierre Nanterme is also a member of the World Economic Forum-facilitated CEO Climate Leadership Group, which represents approximately 80 CEOs of global companies.

We are also a part of the World Economic Forum's <u>Digital Transformation Initiative</u>. Launched in 2015, the initiative offers unique insights into the impact of digital technologies on business and wider society—including environmental sustainability—over the next decade. The initiative's research supports collaboration between the public and private sectors focused on ensuring that digitalization unlocks new levels of prosperity for both industry and society.

The Circulars 2017

We celebrated <u>The Circulars 2017</u>, an initiative of the World Economic Forum and the Forum of Young Global Leaders, in collaboration with Accenture Strategy. In its third year, this awards program recognizes individuals and organizations from commerce and civil society across the globe that have made notable contributions to driving circular economy principles where growth does not depend upon the use of scarce natural resources.

Global e-Sustainability Initiative

Accenture worked with the Global e-Sustainability Initiative (GeSI) to research and publish a new report in 2016, <u>#SystemTransformation: How digital</u> <u>solutions will drive progress toward the sustainable</u> <u>development goals</u>. Published in collaboration with Accenture Strategy, the report demonstrates the impact digital technologies can have on shaping a more-sustainable future, and highlights the opportunity for companies in the technology sector to drive growth and competitiveness by investing in these initiatives. It also identifies three roadblocks to realizing the full potential of these digital solutions, including policy, regulatory and supply-side constraints, as well as additional challenges on the demand side.

POWERED BY OUR PEOPLE

Much of our progress in the environment space is driven at a grassroots level, particularly our awarenessbuilding, training or behavior-change initiatives. Our Environment, Workplace, IT and Procurement teams bring our strategy to life on a daily basis for all employees. These creative—and sometimes experimental—initiatives help Accenture people around the world foster positive sustainability attitudes and habits.

In fiscal 2016, our people-driven environmental initiatives included:

Travel Smart Challenge

We conducted our fifth annual Travel Smart Challenge in fiscal 2016. A six-week competition that runs from Earth Day to World Environment Day, the challenge encourages our people to reduce their travel-related carbon footprint by thinking creatively about how they can minimize air and road travel. Over the past five years, participants from around the world have avoided more than 15,000 flights, saving more than US\$11 million in travel costs. Additionally, our people avoided approximately 2.5 million ground transportation miles, contributing to an estimated overall reduction of more than 8,000 metric tons of CO₂.

International Energy Efficiency Tournament

In 2016, Accenture held our first International Energy Efficiency Tournament, a global competition between Accenture offices aimed at reducing energy consumption through the use of smart meters. Twenty-one teams participated across nine countries, reflecting the efforts of thousands of employees.

"We brought people together and the competition also helped raise awareness around our environment goals."

Maheswari Angamuthu, Application Development Specialist – Accenture Technology

Our new "Energy Central" website, which shows real-time electricity data from each smart-metered office, allowed competing teams to track and compare their energy consumption. During the competition, teams reduced their energy consumption by an average of 24 percent. Team leads used video and email communications to encourage numerous energy conservation measures, such as using natural light where possible; consolidating project teams to conserve space and electricity; adjusting air conditioning temperatures and start/stop times; and posting stickers reminding staff to switch off equipment.

ECO CHAMPIONS AND ECO VOLUNTEERS

Our Eco Champions develop innovative, environmentally conscious work practices and market-relevant engagement campaigns to drive their adoption. More than 7,800 people have joined our Eco teams across all geographies, and more than 5,500 volunteers participated in eco-volunteering activities in fiscal 2016. These individuals contribute to sustainability efforts by driving awareness and action across Accenture in support of environmentally responsible behaviors. Activities include a mix of digitally enabled events and challenges, as well as in-person eco initiatives.

US INNOVATION CHALLENGE TO PREVENT FOOD WASTE

The Accenture Innovation Challenge provides college students across the United States with the opportunity to support the priority goal of a nonprofit organization.

The 2016 winners, who are from The University of Chicago, will help the World Wildlife Fund build an industry coalition on food waste, create a digital platform for benchmarking waste and establish data-driven standards for waste reduction.

Examples of these projects in fiscal 2016 include:

World Environment Day

In celebration of World Environment Day, throughout the month of June, we encourage Accenture people to embrace environmental stewardship, adopt ecosmart work practices and get involved to make an impact in their communities. Eco enthusiasts from Accenture locations around the world joined our World Environment Day webcast, where global leaders, such as our Chief Operating Officer Jo Deblaere, discussed how we identify, develop and implement sustainability strategies in the digital era, both within Accenture and for our clients.

A new addition to World Environment Day in 2016, the #5in5 Greener Than Challenge encouraged Accenture people to tackle a different eco-challenge every day for five consecutive days, both at work and at home. To win, participants completed all five challenges, spreading awareness through their social networks. The campaign generated more than 2,000 engagements on social media, helping to increase awareness around sustainability and Accenture's efforts to reduce our per-employee carbon emissions.

Accent on Climate

In November, hundreds of Accenture people joined our Eco Summit webcast, Accent on Climate, featuring a discussion with Peter Lacy, Accenture Strategy, Growth, Strategy & Sustainability Lead, as well as participants from our International Energy Efficiency Tournament and the #5in5 Greener Than Challenge. The webcast offered the latest climate science and demonstrated how we can advance action on climate change.

Read more eco-volunteering stories on our <u>Environment Impact Map</u>.



Volunteers in Dublin, Ireland partnered with Clean Coasts for a beach cleanup and education on coastal and biodiversity issues.

A LOOK AHEAD

Looking ahead to fiscal 2017, we will continue to make progress on our goals and address our challenges by:

- **Leveraging** new technologies and tools to help run our operations more efficiently, and to help our people work and travel "greener."
- **Refining** and scaling our efforts to measure the carbon reduction benefits our clients enjoy as a result of our solutions and services.
- Collaborating with other businesses and with governments to turn policy into actions that deliver concrete climate solutions and sustainable outcomes.
- **Carefully considering** how we will set our next round of environmental goals for beyond 2020, including evaluating science-based targets.

SUPPLY CHAIN

With a multi-billion-dollar global supply chain, Accenture has the opportunity to promote human rights and sustainable and inclusive business practices beyond our four walls. More diverse supply chains help Accenture and our clients generate solutions that are increasingly relevant to the global community we serve. Our innovative partnerships help unlock business opportunities-enabling sustainable economic growth, supporting new value-delivery approaches, and creating new products and services.



DISCLOSED **EMISSIONS** REDUCTION DISCLOSED

on WOMEN'S BUSINESS **ENTERPRISE NATIONAL COUNCIL'S TOP CORPORATIONS** list

% **c { 0**)

approximate PROCUREMENT **SPEND WITH DIVERSE SUPPLIERS** in the United States

% 81

response rate ON CDP'S SUPPLIER ASSESSMENTexceeding our 2015 rate of 71%

OUR STRATEGY AND APPROACH

We focus our procurement strategy across six categories—contractors; HR and professional services; IT and telecom; marketing and communications; travel; and workplace and facilities. With an emphasis on supplier sustainability and inclusion and diversity, this strategy helps improve social and environmental impacts throughout our supply chain.

We are committed to working with our people, clients, suppliers and business partners toward moresustainable operations and a smaller carbon footprint. Engaging our suppliers in managing and reporting on carbon emissions across our supply chain helps us achieve our vision to improve the way the world works and lives.

At the same time, by helping small, medium and diverse companies participate in the marketplace including as suppliers to Accenture—we create a multiplier effect that adds more jobs, revenue and vitality in communities across countries.

We have three strategic priorities:

- Adhering to our Supplier Standards of Conduct
- Driving supplier sustainability
- Advancing supplier inclusion and diversity

Accountability for the execution of our procurement strategy begins with our local and regional procurement teams and ultimately resides with our Chief Operating Officer, Jo Deblaere, who is responsible for leading Accenture's business operations globally and ensuring operational excellence company-wide and across our supply chain.

HUMAN RIGHTS AND OUR SUPPLY CHAIN

The relationship between Accenture and our external suppliers is a critical component of our support for human rights.

As described in Ethics & Governance, Accenture has a long-standing commitment to supporting and respecting internationally proclaimed human rights—including the elimination of slavery and human trafficking—in our supply chains and business operations. As a signatory to the United Nations Global Compact since 2008, we adhere to the 10 Principles of the Global Compact and to the United Nations Guiding Principles on Business and Human Rights.

Accenture's commitment to doing business ethically and legally is the foundation for our company's global culture, which is shaped by our core values.

One example of the steps Accenture is taking to enhance our processes to better support human rights in our supply chain is our <u>UK Modern Slavery Act</u> <u>Statement</u>, published in early 2017.

EVOLVING OUR SUPPLIER STANDARDS OF CONDUCT

Our leaders, people, clients and partners want to know that we manage our procurement process responsibly, including where and how the goods and services we buy are created or sourced. We set high standards for <u>the way we conduct business</u>, and we expect our suppliers across all six of our procurement categories to adhere to our <u>Supplier Standards of</u> <u>Conduct</u> or to make an equivalent commitment.

Our Standards reflect our core values, our ethical principles and our commitment to human rights. In particular, the Standards specify the labor standards to which our external suppliers must adhere.

These standards, published in 14 languages, require compliance with all applicable laws and regulations, supplement our <u>Code of Business Ethics</u>, and reflect our core values and commitment to the 10 Principles of the UN Global Compact to advance human and labor rights. As part of our commitment to continuous improvement, we have refreshed our Standards to more fully reflect what we expect of our suppliers, and to enable us to take appropriate steps to verify how our suppliers live up to our values and commitments.

DRIVING SUPPLIER SUSTAINABILITY

For as long as we work with a supplier, we expect them to provide regular updates around their environmental initiatives, goals and impact. We encourage local and regional teams to discuss sustainable procurement during their regular supplier meetings. By aiming to increase the number of suppliers working to monitor, measure and communicate the benefits of sustainable business practices, we are able to reach and educate exponentially more tier-two suppliers on the business and environmental benefits of acting in a sustainable manner. Of our six primary procurement categories, we focus our environmental engagement efforts on those suppliers who generate the greatest impact: IT, travel, and workplace and facilities.

In fiscal 2016, we achieved our goal: all of our geographic Procurement teams now include the environmental, social and governance (ESG) performance of prospective suppliers as weighted factors for purchasing decisions in the categories with the largest sustainability impact. As part of wider procurement updates, we are continuing to improve the consistency and compliance with scoring requirements across the geographies by recommending best practices, minimum weightings, standard ESG questions to be used in RFPs and improvements to storage processes.

CDP SUPPLY CHAIN PROGRAM

As a corporate member of <u>CDP's Supply Chain</u> program, we use CDP tools to promote engagement and sustainable business practices with our suppliers. This is part of our effort to begin measuring and reporting the impact of our work with clients and suppliers in key areas of sustainability. Since 2010, we have invited a select group of our suppliers to respond to CDP's Supply Chain self-assessment questionnaire each year. By gathering information in a standardized way, we can better evaluate and compare performance, helping us to better understand our suppliers' environmental practices.

In 2016, 81 percent of the suppliers we invited to participate responded—well above CDP's global average of 53 percent and exceeding our 2015 response rate of 71 percent. In addition, the number of suppliers who publicly disclose their CDP responses has more than quadrupled since 2013, from 28 that year to 115 in fiscal 2016. This result is based on a significant increase in the number of suppliers we invited to disclose their overall response rate.

CDP's <u>Global Supply Chain Report</u> was published in early 2017, and for the third consecutive year we were included on the Supplier Climate A List. This recognition is the result of our "A" performance score on our <u>2016 CDP climate change response</u>, which we complete annually for CDP's Investor Program. The Supplier Climate A List recognizes suppliers who are leading in their actions to reduce emissions and mitigate climate change.

We continue to work toward our fiscal 2020 goal of expanding to 75 percent the percentage of our key suppliers who disclose their targets, provide evidence that they are setting their own targets and report on the actions they are taking to reduce emissions.

> This aligns with our 2020 environmental goal to report the impact of our sustainability initiatives with clients and suppliers, and it formalizes our efforts to date in advancing supplier engagement toward emissions disclosure. As of the end of fiscal 2016, the first year we requested this information, 70 percent of our suppliers disclosed their targets, and 75 percent disclosed the actions and initiatives they took toward emissions reduction.

> To achieve this high level of engagement, our team collaborated directly with suppliers who do not currently report emissions reduction through Accenture, CDP or other entities. In fact, our Chief Procurement Officer personally reached out to any suppliers who had not reported through our survey, and we connected these individuals with our Supplier Relationship team to support ongoing dialogue.

> We also support suppliers within our own supply chain who prioritize environmental sustainability. For example, in fiscal 2016 in the United Kingdom/ Ireland, we purchased competitively priced ergonomic backpacks developed from recycled materials by one of our suppliers. We are sharing this example and encouraging similar practices across our geographies.

CASE STUDY SUPPORTING SUSTAINABILITY IN EMERGING MARKETS

If implemented, a technology road map will inform and enable Bonsucro members to improve the social and environmental impacts of mills and farms, support and leverage assured supply chains and create a new narrative for the sector.

CLIENT'S CHALLENGE:

Following the establishment of a global metric for sugarcane production, Bonsucro, a global nonprofit membership organization, wanted to support the sustainability efforts of its members and stakeholders, especially in emerging markets such as Bolivia and Guatemala.

OUR SOLUTION:

Over an eight-week period, Accenture Strategy and Accenture Development Partnerships collaborated closely with Bonsucro to understand how technology could drive transformational change in the sugarcane sector. As part of this process, Bonsucro and Accenture Development Partnerships developed a technology road map that outlines key technological and operational activities for the core team to complete within a year.

THE RESULT:

The technology road map incorporates priorities, dependencies, enablers and potential risks, as well as suggested effort and deployment timelines for stakeholders. Three primary areas for improvement were identified: benchmarking, knowledge management and collaboration.

ADVANCING SUPPLIER INCLUSION AND DIVERSITY

Accenture promotes a diverse and inclusive work environment, and we strive to work with others who embrace these same values. We are deeply committed to inclusive procurement practices, which we believe will create long-term value for our clients and our communities. Our <u>Supplier Inclusion & Diversity</u> <u>Program</u>, which includes 16 countries, generates a broad choice of suppliers, as well as complementary skill sets from our project contractors and access to the most innovative, responsive and cost-competitive supply solutions for our clients and stakeholders. In fiscal 2016, *DiversityInc* recognized our efforts for the fifth consecutive year by including us as No. 3 on its <u>Top 10 Companies for Supplier Diversity</u> list.

Accenture has the opportunity to drive a more inclusive and empowered marketplace. By incorporating diverse businesses into our supply chain and giving them access to wider markets, we help grow their representation and influence in our economy and accelerate socioeconomic advancement and innovation for everyone.

In the absence of robust measurement systems with consistent standards for diversity, it can be challenging to gauge the effectiveness of our Supplier Inclusion & Diversity Program. We have been able to track our diverse procurement spend most consistently in the United States, where we maintained a rate of approximately 30 percent of total procurement spend with diverse suppliers in fiscal 2016. We continue to seek improvements in our global reporting.

DIVERSE SUPPLIER DEVELOPMENT PROGRAM

Accenture's <u>Diverse Supplier Development Program</u> (DSDP) reflects our commitment to developing and expanding relationships with diverse businesses owned by minorities, women, persons with disabilities, LGBT, veterans and others. The formal, 12- to 18-month program matches senior Accenture executive mentors with diverse supplier "protégé" companies to help them grow their businesses. In turn, our company, clients and communities benefit from their innovative contributions. Not only does DSDP represent a strategic sourcing strategy for Accenture and our clients, developing diverse suppliers strengthens communities by creating more businesses, jobs and economic growth.

As of fiscal 2016, 101 diverse suppliers had graduated or were in the process of completing the program-70 in the United States, 17 in Canada and 14 in the United Kingdom and Ireland. Our goal is to graduate 170 diverse suppliers by fiscal 2020. We are actively working to achieve this goal, with plans to graduate multiple classes in Canada, South Africa, the United Kingdom and the United States in fiscal 2017. We strive to pair DSDP protégés with Accenture executive mentors in their industry so they can provide more targeted, experience-based guidance. While finding appropriate matches can be challenging and time consuming, protégé feedback has shown such expertise is critical in their pursuit of growing their business. We continue to seek ways to enhance this matching process.



DSDP protégés, including Softpath System, LLC, and Berry Technology Solutions, and Accenture people celebrate at the DSDP graduation. "DSDP provided me with an opportunity to make a measurable impact to the businesses of talented and capable entrepreneurs. Mentoring means rolling up your sleeves and getting involved in the essential details of running a small enterprise and by providing active guidance."

Michael F. Collins, Managing Director, Accenture

We are also strategically expanding DSDP to focus on geographies key to enabling our business and that of our clients. We currently offer DSDP in Canada, the United Kingdom and Ireland, and the United States; we launched our first DSDP class in South Africa in March 2016; and are investigating the feasibility of starting a program in a sixth country.

Many of our DSDP graduates have become Accenture suppliers. For instance, EmergiTEL, a Canadian placement firm that offers recruiting, managed services and HR solutions, recently joined Accenture as a diverse supplier. Soon after graduating from DSDP, EmergiTEL successfully made highly skilled placements with our Financial Services and Resources clients.

"My mentor brought years of experience at a critical time in my business growth. He helped me see I had decisions to make, risks to take (or not take) and paths to choose. He gave me the perspective of a successful, inclusive business leader, which I may not otherwise have had access to."

Sonia Bate, EDIT Development, regarding her mentor Mark Beaton, Senior Managing Director, Accenture

> In South Africa, DSDP has given innovative, blackowned tech start-ups support through opportunities such as training, mentorship and exposure to technology skills, which helped them successfully develop and market their products to potential

investors and clients. One beneficiary, Afrocast, was selected to participate in an entrepreneur exchange program in Seattle, Washington in the United States, allowing the company to gain exposure for their application, Mobile Bulletin, a solution that aims to enable better communication for South Africa's mining industry. Thanks to support from Accenture Digital in further developing the Mobile Bulletin app, Afrocast is now able to go to market with their product.

BROAD-BASED BLACK ECONOMIC EMPOWERMENT ACT

Accenture practices align with the Broad-Based Black Economic Empowerment (B-BBEE) Act in South Africa, which aims to drive economic transformation and a more-inclusive marketplace. The Act requires organizations to undergo an annual verification process. Based on the outcome, organizations are ranked on a scale of 1 to 8, with 1 being the highest category and 8 the lowest. Between 2015 and 2016, <u>Accenture moved from a level 2 to a level 1</u> due to our investment in blackowned/black-women-owned businesses and our efforts in support of small business growth.

Our procurement spend with black-owned vendors was 55 percent against the legal target of 12 percent, and our spend with black-women-owned vendors was 45 percent against the legal target of 8 percent, a year-over-year increase from 2015.

Also in 2016, we were featured on CNBC Africa for our role in developing small- and medium-sized enterprises (SMEs) through our Enterprise Supplier Development Program (also referred to as ESDP, which is the name used for DSDP in South Africa). The broadcast focused on the benefits of the mentorship program (including operational efficiency, project leadership, mentorship, business networking, skills transfer and knowledge sharing through collaboration and ideas implementation) and how Accenture's global best practices are infused with a local flavor to implement and sustain development of the next information communication technology companies. As a result of ESDP, beneficiaries succeeded in creating healthy relationships with clients. The future plan is to create 1,000 jobs through a collaboration of 10 partners and 100 SMEs.

CELEBRATING RECOGNITION FOR DSDP PROTÉGÉS

We are pleased that several of our DSDP protégés have been recognized for their efforts, among them:

Softpath System, LLC

Each year, the Greater Women's Business Council (GWBC) selects a handful of women-owned businesses from among its members to receive the Trailblazer Award, which honors innovation, achievement and community leadership. In 2016, Softpath System, LLC, a leading IT staffing solutions provider and Accenture DSDP graduate, received this prestigious accolade in recognition of both its commercial success and its commitment to empowering and advancing womenowned businesses in the southeastern United States. In addition to their work with FORTUNE 500 clients like Microsoft and Amazon, Softpath demonstrates its commitment to diversity and inclusion by supporting organizations such as the United States Pan Asian American Chamber of Commerce and GWBC. President Sushuma Roy is both an advocate for and employer of diverse suppliers, contracting with minority-owned and women-owned businesses to create value for clients.

Berry Technology Solutions

In 2016, the Atlanta Tribune featured Demetrica Berry, founder and CEO of Berry Technology Solutions and a graduate of Accenture's DSDP, in a special issue saluting minority business owners. Berry launched her business, an Atlanta, Georgia-based professional services company in the United States dedicated to designing, building, training and supporting ERP/ SAP programs for public-sector and commercial clients, in 2005. Since then, she has achieved tremendous success, growing the company to approximately 40 full-time employees and reaching annual sales of more than US\$34 million. Recently, the Center for Disease Control and Prevention (CDC) awarded the company a US\$14.3 million contract to support its Vaccine Tracking System. The program, which is part of the CDC's Vaccine Management Business Improvement Project, aims to improve and

integrate the entire publicly funded vaccine supply chain, leading to better efficiency, transparency and accountability. When accepting this recognition from the *Atlanta Tribune*, Berry thanked her mentors from DSDP, noting that their support was instrumental in helping her win the CDC business.

Pixel Entropy

Pixel Entropy, a health-tech start-up and participant of Accenture in South Africa's ESDP, is creating tools to reach young people and promote a healthier lifestyle.

Recently, Pixel Entropy created an app that helps educate users—particularly younger individuals—about how to prevent pregnancy and sexually transmitted diseases including HIV. The app also provides guidance on how to initiate conversations around health topics, as well as a social forum for discussion. Health organizations can access this site and share relevant news and information, helping to keep users informed and up to date.

In preparation for the World AIDS Conference, where the app was launched, a team of volunteers from Accenture Digital supported Pixel Entropy in the development of additional app features, including video play integration, ad position integration and three new support sections for news, events and games.

Beyond our DSDP program, we strive to transform the lives of people around the world by offering mentoring programs that help them develop their entrepreneurial talent. We also support the development of small, medium and diverse enterprises in a growing number of countries through a variety of initiatives, including training programs in collaboration with <u>WEConnect</u> <u>International</u>, <u>Skills to Succeed</u> and our clients.

RECOGNIZING ACCOMPLISHMENTS

In 2016, Accenture received numerous recognitions, including:

Women's Business Enterprise

<u>National Council's</u> Top Corporations for Women's Business Enterprise

Business Engage Association NPC's Economic Empowerment Award (Enterprise and Supplier Development)

2017 Greater Women's Business Council TOP Corporation of the Year

WEConnect International's Top Corporations for 2016

WEConnect China's Corporate Diversity Leader of the Year

INTEGRATING FEMALE-OWNED BUSINESSES INTO OUR SUPPLY CHAIN

One of the most significant challenges we face as an organization is identifying female-owned businesses that have or want to develop the capacity to meet our procurement standards. To help address this issue, we connect female entrepreneurs with <u>WEConnect</u> <u>International</u>, 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 together, we operate programs in 12 countries across Africa, Asia Pacific, Europe and Latin America; these programs are aimed at leveling the procurement field and integrating more womenowned enterprises into the supply chain. In fiscal 2016, Accenture was the catalyst behind the establishment of WEConnect International in the Netherlands. We also launched a collaboration in Costa Rica, making it the third country in Latin America where we collaborate.

Examples include:

Brazil

Thanks to our relationship with WEConnect International in Brazil, Accenture was able to contract with Eventos e Conceitos, a womanowned event agency. With Juliana Barros at the helm, this organization helps Accenture create innovative concepts for important clientfacing events and fairs, such as Futurecom and Congresso e Exposição de Tecnologia da Informação das Instituições Financeiras. It also has assisted us in developing interactive demonstrations of our products and services for potential clients.

India

During the economic collapse of 2008, entrepreneur Ashul Verma saw an opportunity to combine her passion for technology, people and project management into a business that would help clients lower costs while meeting their IT talent needs. Today, her company Toppersedge provides customized HR and recruitment solutions to a wide range of clients in India. In addition to IT and HR consulting, Toppersedge also offers a leading employability training platform, helping candidates gain the skills they need to succeed in the labor market. In 2015, Toppersedge became a tier-one supplier with Accenture, supporting HR-related initiatives across multiple business units. Toppersedge credits Accenture with giving it the direction and support needed to succeed and, when advising clients on the strategic direction of their human resources, encourages and supports diverse hiring practices. Accenture continues to work with <u>Self Employed</u>

Women's Association (SEWA), a trade union that supports low-income, self-employed women in India. In addition to providing job skills training, SEWA empowers women to organize supportive services like healthcare, child care, insurance and financial resources for themselves and their peers.

Mexico

Consultoria Informatica Actuarial (CONIA) is a womanowned and women-driven company in Mexico that helps clients maximize the value of their technology to operate more efficiently and successfully in the markets they serve. Leveraging more than 25 years of experience in the market, CONIA supported Accenture with IT solutions for our renovated office in Monterrey, Mexico, during the past fiscal year.

Turkey

ACK Human Resources Consultancy, a specialized staffing company that offers IT clients flexible, reliable and efficient recruitment solutions, is another example. After working with WEConnect International for almost a year, ACK pursued and secured its Seal of Certification, a designation signaling to potential clients that the company meets WEConnect's universal standard for women's business enterprises. At the end of this process, ACK ultimately won a contract with Accenture and began work on a series of ongoing recruitment and candidate placement projects.

INTEGRATING THOSE WITH DISTANCE TO THE LABOR MARKET INTO OUR SUPPLY CHAIN

Accenture Procurement collaborates on local initiatives across our geographies, engaging entities and individuals who may experience distance (whether physical, social or cultural) from the labor market in recruitment and procurement opportunities. These include minority-, ethnic- and women-owned businesses and persons with disabilities, visible or otherwise; veterans with and without disabilities; refugees; people living away from economic centers; and lesbian, gay, bisexual and transgender (LGBT) persons.

Persons with Disabilities

Accenture is increasing its efforts to integrate persons with disabilities into the labor market not only through direct recruitment, but also through agreements with our facilities' vendors and collaboration with for-profit and nonprofit organizations.

For example, for diversity recruiting events, Accenture teams in the US are encouraged to fulfill our branded apparel orders through our approved merchandise vendor Staples, and their diversity supplier program member, Spectrum Designs, a nonprofit apparel printing company that employs adults with autism.

In the Netherlands, in partnership with AHOLD and "99 of Amsterdam," Accenture is working to improve employment and economic opportunities for individuals with physical or intellectual disabilities:

Accenture is one of the founders of "99 of Amsterdam," a regional business network that aims to increase the number of persons with disabilities hired in the greater Amsterdam area. To achieve this goal, participating companies share best practices and lessons learned in their endeavors to onboard people who have decreased access to the labor market. We also connect persons with disabilities with companies within our business network, helping to maximize our impact. As a result of these efforts, we have been able to employ approximately 700 individuals.

Procurement plays a key role in the inclusion and diversity area, as it has the potential to influence spending and push spend toward more inclusive suppliers. For this reason, "99 of Amsterdam" works closely with the procurement departments from all the companies within Accenture's network.

We are also working with AHOLD, one of the world's largest food retail organizations, to help advance opportunities for individuals with disabilities. As part of this collaboration, Accenture provides a team of job coaches to help mentor and support hundreds of persons experiencing distance from the labor market as they work in AHOLD supermarkets across the Netherlands. In this way, Accenture helps to ensure that these mentees have the resources they need to thrive in their careers.

LGBT

Accenture is proud to be a corporate leader in supporting the LGBT community through our procurement practices. We are committed to raising awareness about LGBT suppliers, while simultaneously supporting supply chain decisions based on equality.

Accenture is a Corporate Partner of the National Gay and Lesbian Chamber of Commerce (NGLCC). In 2016, in collaboration with NGLCC and together with The Other Foundation, Accenture was part of a unique event in Cape Town, South Africa: the launch of a business network focused on increasing opportunities for LGBT entrepreneurs. South Africa is the first country on the African continent to have such a business network, which demonstrates real progress toward cultivating more-inclusive business environments. In many countries on the African continent, LGBT equality is not common practice. Even in South Africa, where LGBT-friendly legislation including same-sex marriage exists, being "out" in life and at work is still a challenge for many. Business networks like NGLCC are critical both for LGBT entrepreneurs and for corporations, because they help connect corporate procurement professionals with innovative and cost-competitive solutions for themselves and their clients.

A LOOK AHEAD

In fiscal 2017, we will continue to make progress toward our goals and address our challenges by:

- **Launching** a digital tool that will simplify and manage the purchase request creation, review and approval process.
- **Selecting** and implementing a global reporting tool that expands our ability to report spend with small, medium and diverse suppliers around the world.
- Ensuring compliance around the UK Modern Slavery Act.
- **Increasing** awareness regarding persons with disabilities, both within Accenture and with our suppliers and other stakeholders.
- **Expanding** our mentoring program into India.

PERFORMANCE DATA

"We are very proud to renew our commitment to the 10 Principles of the United Nations Global Compact, which we signed in 2008. We continue to support the organization's efforts to advance corporate citizenship and sustainability. These efforts are well aligned with our commitment to ethical leadership and corporate social responsibility—and make Accenture an even better partner for all of our stakeholders."

Pierre Nanterme Chairman & CEO, Accenture

The following table quantifies our progress since fiscal 2012 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	FY12	FY13	FY14	FY15	FY16		
	US \$ THOUSANDS						
Net Revenues ²	\$27,862,330	\$28,562,810	\$30,002,394	\$31,047,931	\$32,882,723		
Operating Expenses Excluding Reimbursable Expenses	23,990,782	24,224,130	25,701,882	26,612,062	28,072,278		
Operating Income	\$3,871,548	\$4,338,680	\$4,300,512	\$4,435,869	\$4,810,445		
Global Headcount at Fiscal Year End (rounded)	257,000	275,000	305,000	358,000	384,000		
COMMUNITY IMPACT ¹	FY12	FY13	FY14	FY15	FY16		
People Equipped with Skills to Get a Job or Build a Business (cumulative, rounded)	327,000	512,000	815,000	1,243,000	1,720,000		
ACCENTURE CONTRIBUTIONS BY REGION		Us	\$ THOUSANDS				
North America	\$6,071	\$8,848	\$11,207	\$11,009	\$12,394		
Europe	17,952	18,813	19,698	17,192	17,439		
Growth Markets	7,686	8,760	9,999	15,636	14,903		
Global	10,175	10,728	12,355	14,934	14,733		
Total Accenture Contributions	\$41,883	\$47,148	\$53,259	\$58,771	\$59,468		

COMMUNITY IMPACT ¹	FY12	FY13	FY14	FY15	FY16	
ACCENTURE CONTRIBUTIONS BY TYPE	US \$ THOUSANDS					
Cash	\$12,862	\$13,917	\$14,833	\$20,452	\$19,081	
In-Kind (Accenture Development Partnerships and Pro Bono Consulting)	26,981	30,616	35,203	35,562	37,129	
Time (Paid Volunteering)	2,039	2,615	3,223	2,757	3,258	
Total Accenture Contributions	\$41,883	\$47,148	\$53,259	\$58,771	\$59,468	
Accenture Foundations Contributions ³	\$11,616	\$12,911	\$15,907	\$16,509	\$9,591	
Total Accenture and Accenture Foundations Contributions	\$53,500	\$60,059	\$69,166	\$75,281	\$69,060	
ACCENTURE CONTRIBUTIONS: PERCENTAGE BY REGION		PEI	RCENT OF TOTAL			
North America	15%	19%	21%	19%	21%	
Europe	43	40	37	29	29	
Growth Markets	18	18	19	27	25	
Global	24	23	23	25	25	
Total	100%	100%	100%	100%	100%	
ACCENTURE CONTRIBUTIONS: PERCENTAGE BY TYPE	PERCENT OF TOTAL					
Cash	31%	29%	28%	35%	32%	
In-Kind (Accenture Development Partnerships and Pro Bono Consulting)	64	65	66	60	62	
Time (Paid Volunteering)	5	6	6	5	6	
Total	100%	100%	100%	100%	100%	

COMMUNITY IMPACT ¹	FY12	FY13	FY14	FY15	FY16
Hours of Participation in Accenture-Sponsored "Time & Skills" Programs ⁴	476,911	518,202	591,800	629,734	700,502
Employees Participating in Accenture-Sponsored "Time & Skills" Programs ⁴	3,963	4,618	6,751	5,292	6,422
ENVIRONMENT ¹	FY12	FY13	FY14	FY15	FY16
Total Carbon Emissions per Employee (metric tons of $\rm CO_2)^5$	2.68	2.58	2.28	2.14	2.13
Reduction in Carbon Emissions per Employee Compared to FY07 Baseline	34%	36%	44%	47%	47%
CARBON EMISSIONS BY SOURCE⁵		MET	RIC TONS OF CO	2	
Air Travel	351,883	351,328	333,664	372,594	373,316
Other Business Travel	83,361	91,282	100,400	99,694	157,701
Office Electricity ⁷	224,615	232,988	224,211	232,953	259,540
Other Energy (Natural Gas, Diesel)	7,436	8,153	7,136	7,528	6,537
Total Carbon Emissions	667,295	683,751	665,411	712,769	797,094
CARBON EMISSIONS BY REGION ⁵		MET	RIC TONS OF CO	2	
North America	218,974	216,403	219,455	231,177	230,897
Europe	125,464	125,255	122,384	130,426	144,307
Growth Markets	320,910	340,882	323,464	351,166	421,890
Global	1,947	1,211	107	0	0
Total Carbon Emissions	667,295	683,751	665,411	712,769	797,094

FY12	FY13	FY14	FY15	FY16	
METRIC TONS OF CO ₂					
9,383	32,155	29,767	26,290	27,203	
224,615	232,988	228,030	237,239	263,050	
433,297	418,608	407,615	449,240	506,841	
667,295	683,751	665,411	712,769	797,094	
	9,383 224,615 433,297	9,383 32,155 224,615 232,988 433,297 418,608	METRIC TONS OF CO 9,383 32,155 29,767 224,615 232,988 228,030 433,297 418,608 407,615	METRIC TONS OF CO2 9,383 32,155 29,767 26,290 224,615 232,988 228,030 237,239 433,297 418,608 407,615 449,240	

CARBON EMISSIONS: PERCENTAGE BY SOURCE	PERCENT OF TOTAL					
Air Travel	53%	51%	50%	52%	47%	
Other Business Travel	12	13	15	14	20	
Office Electricity	34	34	34	33	32	
Other Energy (Natural Gas, Diesel)	1	1	1	1	1	
Total	100%	100%	100%	100%	100%	

CARBON EMISSIONS: PERCENTAGE BY REGION	PERCENT OF TOTAL					
North America	33%	32%	33%	33%	29%	
Europe	19	18	18	18	18	
Growth Markets	48	50	49	49	53	
Global	< 1	< 1	< 1	0	0	
Total	100%	100%	100%	100%	100%	

ENVIRONMENT ¹	FY12	FY13	FY14	FY15	FY16	
CARBON EMISSIONS: PERCENTAGE BY SCOPE ⁶	PERCENT OF TOTAL					
Scope 1	1%	5%	4%	4%	3%	
Scope 2	34	34	34	33	33	
Scope 3	65	61	61	63	64	
Total	100%	100%	100%	100%	100%	
Office Electricity Efficiency (kWh / square meter)	223	213	206	201	196	
% Improvement in Electricity Efficiency Compared to FY07 Baseline	21%	25%	27%	29%	31%	
% Electricity from Renewable Sources	12%	12%	16%	20%	18%	
ENERGY USAGE BY SOURCE⁵			MWh			
Electricity	365,402	377,377	404,334	435,168	482,869	
Natural Gas	13,128	16,684	18,034	21,092	17,166	
Diesel	19,106	19,243	13,948	13,047	12,255	
Total Energy Usage	397,636	413,304	436,317	469,306	512,290	
ENERGY USE:						
PERCENTAGE BY SOURCE ⁵	PERCENT OF TOTAL					
Electricity	92%	91%	93%	93%	94%	
Natural Gas	3	4	4	4	3	
Diesel	5	5	3	3	3	
Total	100%	100%	100%	100%	100%	

ENVIRONMENT ¹	FY12	FY13	FY14	FY15	FY16
Total Amount of Electronic Waste Disposed by Accenture (metric tons) ⁸	273	254	266	180	360
Electronic Waste Disposed by Accenture that Avoided Landfill ⁸	99%	99%	99%	99%	99%
Total Water Consumption (cubic meters) ⁹				1,934,000	2,191,000
Water Consumption per Employee (cubic meters)				5.81	5.85
OUR PEOPLE	FY12	FY13	FY14	FY15	FY16
Total Training Spend (US\$ thousands)	\$857,574	\$878,108	\$786,517	\$841,440	\$940,509
Average Training Hours per Employee	52	50	45	46	46
Employee Donations (US\$ thousands)	\$6,119	\$6,957	\$7,783	\$8,781	\$9,110
Women in Workforce ^{10, 11}	36%	36%	36%	38%	39%
Women New Hires ^{10, 11}	39%	40%	37%	38%	44%
Women Executives ^{10, 11}	28%	28%	28%	28%	28%
SUPPLY CHAIN ¹	FY12	FY13	FY14	FY15	FY16
DIVERSE PROCUREMENT SPEND BY TYPE (US ONLY)		U	S\$THOUSANDS		
Minority-Owned Business	\$252,206	\$235,200	\$255,792	\$327,811	\$351,468
Women-Owned Business	136,420	143,214	114,939	117,448	104,948
Small Business	99,998	104,963	75,807	76,573	74,965
Other Type Business ¹²	32,040	38,089	3,571	5,646	9,129
Total Diverse Procurement Spend (US Only)	\$520,663	\$521,466	\$450,110	\$527,479	\$540,510

SUPPLY CHAIN ¹	FY12	FY13	FY14	FY15	FY16
DIVERSE PROCUREMENT SPEND: PERCENTAGE OF TOTAL PROCUREMENT SPEND BY TYPE (US ONLY)	PI	RCENT OF TOTA	L PROCUREMEN	IT SPEND	
Minority-Owned Business	13%	12%	15%	18%	19%
Women-Owned Business	7	8	7	7	6
Small Business	5	6	5	4	4
Other Type Business ¹²	2	2	< 1%	< 1%	< 1%
Total (US Only)	27%	27%	27%	30%	29%

Footnotes

- 1 Some detail numbers may not sum exactly to total number due to rounding.
- 2 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).
- 3 Accenture Foundations refers to independent charitable organizations that bear the Accenture name.
- 4 "Accenture-sponsored 'Time & Skills' Programs" comprise Accenture Development Partnerships, pro bono consulting and paid volunteering projects.
- 5 Detailed methodology for carbon emissions and energy usage calculations is available in Accenture's CDP Climate Change response; 100% of Accenture's fiscal 2016 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.
- 6 Since fiscal 2013, improved data on leased cars allows us to segregate some Scope 1 emissions from the Scope 3 car emissions where they had been classified previously. Starting in fiscal 2014, we classified Natural Gas usage as Scope 2 emissions from the Scope 1 emissions where they had been classified previously.
- 7 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 2016 office electricity market-based emissions factor renewable electricity impacts as well as 3,829 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 2016 would be 309,631 tons for Office Electricity and 313,141 tons for Scope 2 (fiscal 2015 values are 290,634 tons and 294,920 respectively).
- 8 Electronic waste includes laptops and workstations with disposal method tracked in Accenture's global asset management system.
- 9 Fiscal 2016 total water consumption is derived from more than 60% measured data (55% in fiscal 2015) and estimating the remainder based on average per-workstation consumption from measured locations.
- 10 Does not include information from Avanade, a joint venture between Accenture and Microsoft that is majority-owned by Accenture.
- 11 All "Women Executives" values reflect our workforce as of December 31 of that year as well as values for "Women in Workforce" and "Women New Hires" since 2015 (values prior to 2015 reflect our workforce as of August 31). "Women Executives" comprises our women managers, senior managers, managing directors, senior managing directors and members of our Global Management Committee.
- 12 "Other Type Business" consists of the following subcategories: Service-Disabled Veteran, Veteran, Historically Black Colleges or Universities, and Lesbian, Gay, Bisexual and Transgender.

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 approximately 401,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives. Visit us at <u>www.accenture.com</u>.

We welcome your *feedback*.

Copyright ©2017 All rights reserved.