



29 September 2023

Mr Sean Turner  
Committee Secretary  
Parliamentary Joint Committee on Corporations and Financial Services

Dear Mr Turner,

Thank you for your correspondence and invitation to make a submission to the Parliamentary Joint Committee on Corporations and Financial Services inquiry, Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry.

In responding, Accenture has focused upon the terms of reference as they relate to Accenture's service offerings and corporate structure. We note the terms of reference are broad and likely to apply differently to other service offerings (tax and audit for example) or different structures that are the subject of the Inquiry.

We are happy to consider any further questions if helpful to the Committee.

#### **About Accenture & Our Corporate Structure**

Accenture is a global professional services company, with around 732,000 salaried employees, including over 6,000 employees in Australia.

We are publicly listed on the New York Stock Exchange, under the symbol ACN, and are proud to have been recognised for 16 consecutive years as one of the world's most ethical companies by Ethisphere<sup>1</sup>.

We are a talent and innovation led company, partnering with Australian organisations and governments to build their digital capabilities, optimise their operations, accelerate revenue growth, and enhance citizen services. Technology is at the core of what we do, and we leverage our one global network including insights, people, collaboration and learning to help Australia's leading companies capitalise on the opportunities.

Accenture does not offer services in accounting, audit, legal or financial advice, or tax.

Locally in Australia, our entities (including Accenture Australia Pty Limited and Accenture Australia Holdings Proprietary Limited) are private companies registered and accountable under the *Corporations Act 2001* (Cth).

Accenture's Australian entities comply with their obligations under the Corporations Act (including financial reporting obligations) and are regulated by the Australian Security & Investments Committee (ASIC), through which we lodge our audited annual financial reports. Accenture is also recognised as a Top 1,000 taxpayer within Australia.

Our corporate structure and reporting obligations are a critical element in Accenture's approach to proper governance and transparency.

#### **Accountability & Compliance with the Law**

As noted above, our local entities are registered and accountable under the Corporations Act and regulated by ASIC, through which we lodge our annual financial reports. Globally, we are publicly listed on the New York Stock Exchange and adhere to its corporate governance standards regarding director independence, code of business ethics, legal and regulatory compliance, and internal and independent audits. We maintain global compliance programs in areas such as anticorruption, data privacy, confidentiality, and government

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<sup>1</sup> <https://worldsmoethicalcompanies.com/honorees/>

compliance, including regular program reviews by third-party assessors and the global Accenture Audit Committee.

Accenture's Australian entities are also required to comply with a broad range of other Australian laws and regulations. This includes (without limitation) employment and workplace laws (such as the *Fair Work Act 2009* (Cth), various State and Federal workplace health & safety laws and anti-discrimination legislation), privacy laws (including the *Privacy Act 1988* (Cth)), competition and consumer protection laws (*Competition and Consumer Act 2010* (Cth)), anti-money laundering, sanctions, and taxation laws.

As a result, various Australian regulatory bodies will have direct and indirect oversight over Accenture's operations in Australia, including, for example: AUSTRAC, ASIC, Australian Competition and Consumer Commission, Australian Taxation Office, Fair Work Ombudsman, Safe Work, Office of the Australian Information Commissioner and National Anti-Corruption Commission.

### **Management & Remuneration Structure**

All management appointments within Accenture globally and in Australia are based on merit, they are not voted positions. We report to an independent board, and ultimately our shareholders. All our senior executives (known as managing directors) are accountable for their own, and their teams', performance, conduct and effort.

Within our remuneration structure we evaluate both contribution and performance, in terms of what was achieved (which has a level of dependence on role), and how it was achieved, against a broad set of key performance indicators (including our leadership expectations around behaviours). All our managing directors are assessed against these components, which then feeds into consideration for their base salary, annual performance bonus and equity grants.

### **Behaviour Expectations of all Accenture Employees**

Accenture has a publicly available Code of Business Ethics<sup>2</sup> which applies to all our people regardless of their level or title (note: third parties, for example contractors, are also required to comply with our Code of Business Ethics when working with us or acting on our behalf). Our Code of Business Ethics is organised under the following six fundamental behaviours:

- Make your conduct count.
- Comply with local laws.
- Deliver for our clients.
- Protect people, information, and our business.
- Run our business responsibly.
- Be a good corporate citizen.

Every Accenture employee has a personal responsibility to always act ethically and comply with the law, our Code of Business Ethics and related policies and procedures. Violations break trust with Accenture and our clients and may result in individual disciplinary action, up to and including termination of employment. We hold our managing directors to the highest standard of modelling respectful behaviour, acting when they see misconduct and ensuring there is no retaliation against anyone who speaks up in good faith.

We also conduct due diligence checks on candidates joining Accenture for any form of employment and require similar checks for contractors. In situations where background check results do not meet our reasonable requirements, we will take appropriate lawful action.

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<sup>2</sup> [Code of Business Ethics | Accenture](#)

## Accenture's Approach to Ethics & Compliance

At Accenture, we care deeply about doing the right thing. We act with integrity, we respect our people, and we comply with local laws. Our Code of Business Ethics is more than just a policy and we do not simply rely on words on paper. We invest significantly in systems, processes, controls, training, and compliance functions. And it feeds into our promotion cycle and remuneration structure. For example, employees face a reduction to any base pay increase and to any bonus award if they fail to complete their annually required ethics and compliance training.

We put this investment into our Code of Business Ethics because we understand how important it is that every single one of our people turns up at work knowing the behaviour that is expected of them every single day.

We believe that all employees have a responsibility to speak up when they see conduct that does not reflect who we want to be, and we encourage our people to raise concerns in the way they are most comfortable with. We also have zero tolerance for retaliation.

Core to our Code of Business Ethics is meeting our commitments to protect the information and intellectual property of Accenture, clients, business partners and suppliers. We also have robust and world class requirements for protecting and using information, devices and technology belonging to Accenture, clients, business partners and suppliers. Some of these include:

- Compulsory training programs which educate employees on handling sensitive information, monitoring for threat actors and securing devices and information.
- The Accenture Store and Share Tool to determine how to classify documents, set up the ideal protection settings, and choose the correct storage site for their documents.
- Disabling access to Accenture systems and platforms if an employee's laptop is not kept updated with the latest security protections and patches.
- Compulsory use of multifactor authentication on all Accenture devices (where possible).
- The 24/7 global Accenture Security Operations Centre which provides response and expertise in handling information security threats or incidents.

Under Accenture's Code of Business Ethics, all employees are also required to:

- identify any actual, perceived or potential personal conflicts of interest.
- disclose them promptly; and
- obtain any required approvals and follow guidelines (along with any other responsibilities in the policy).

We also provide a Personal Conflict of Interest tool to assess whether a particular situation could give rise to a personal conflict and any potential conflicts are independently assessed by our ethics and compliance team.

At a specific level, when working with Federal, State and Local government clients in Australia for instance, Accenture implements safeguards and controls for each engagement to mitigate the potential for conflict of interest, probity issues, or breach of confidentiality. Specifically, some of these include:

- Conflict of interest declarations – it is commonplace for our people to provide formal declarations around confidentiality and probity as part of government procurements, and to disclose any potential for conflict of interest directly to the client when onboarding onto a project.
- Employee screening – many of our people hold national security clearances and regularly undergo vetting procedures (e.g., criminal history checks) for their roles.
- Probity plans – we have on several occasions agreed a formal probity plan with individual departments that describe information boundaries that must be maintained between people or teams, confidentiality requirements, controls and escalation points for raising issues if they occur. In some cases, our people working on an engagement are then 'off limits' for participating in any subsequent tender activities or further work that may come from that client area.

- Roll-off processes – all Accenture staff leaving a client engagement are required to remove information about the client from their devices and ensure all records are properly archived.

Accenture complies with the Australian Whistleblower legislation. This is reflected in our Code of Business Ethics, multiple channels available for our employees to report any misconduct, including anonymously, and the independent way we handle the investigations.

In Australia, we also have a standalone Whistleblower policy designed to comply with Part 9.4AAA of the *Corporations Act 2001* (Cth). The Whistleblower policy, which our people can access on Accenture's portal, encourages whistleblowers to speak up, outlines how they can make disclosures and provides them with information about the legal protections they are entitled to.

Accenture is committed to detecting and addressing misconduct within our organisation and ensuring that those who become aware of misconduct can report it without being concerned that it will negatively affect them or their position.

### **Accenture's Performance Accountability**

In Australia, as noted above, Accenture is subject to oversight by ASIC and numerous other Federal, State and Territory regulators, which have various powers to investigate, monitor and sanction misconduct or non-compliance with Australian laws.

In addition, a key mechanism available to all our clients to manage misconduct and poor performance is through the contracts we have in place with them. When issues arise that may impact our ability to achieve or exceed our accountability to our clients, the usual course of action is to notify the relevant client and then proceed to resolve it directly. Resolutions are handled through the specific contractual agreement documented by the client.

Specifically, for our work within the Australian Government, Accenture undertakes work under the terms of a government mandated contract which can include a panel, bespoke contract, or government template.

Within these contracts, there are a broad range of performance standards and compliance obligations, including obligations on Accenture to comply with all applicable government policies. This provides the government with the ability to appropriately manage issues of misconduct and material nonperformance, including in many cases through the application of penalties for poor service delivery or the ability to terminate the contract if required.

### **Global Governance Structures**

To assist the Committee, we have spoken with our global colleagues across several jurisdictions to determine the levels of regulation of professional services across the globe. One model the Committee might consider is within the United Kingdom (UK).

Specifically, the Cabinet Office within the UK conducts an annual review of the top 40 strategic suppliers to the UK government. The annual review includes a request for data (~600 questions via an online survey) of the top suppliers relevant to the assessment of governance structures, financial position, commercial presence & strategy, risk & compliance with key government policies and regulations such as the cyber security resilience, gender & ethnic diversity and labour standards & work quality. There is also the opportunity for the suppliers to provide feedback to the government as a client.

Post the online submission, there is a review meeting with the Crown representative and supplier to discuss the outputs of the annual review process. Including how the supplier compares to other strategic suppliers, areas for improvement and opportunities for greater collaboration. A series of focused roundtables are also



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held with all strategic suppliers with the aim of sharing best practice and improving performance against policy objectives.

We are supportive of any review of existing industry regulation, which aims to achieve a consistent standard of governance, accountability, transparency and reporting in the professional services sector. We know that the work we do only succeeds where there is trust and transparency, shared goals, and genuine collaboration.

Yours sincerely,

Peter Burns  
Market Unit Lead for Accenture Australia & New Zealand