

Responsible Business

An Interview with Peter Lacy, Global Sustainability Services Lead and Chief Responsibility Officer, Accenture

EDITORS' NOTE Peter Lacy oversees the integration of sustainability in all client work and ensuring the responsible business agenda across Accenture services and internal operations. He is a member of Accenture's Global Management Committee. Lacy leads sustainability services with clients and ecosystem partners, working across Accenture's service offerings to help clients create value and impact. His work spans environmental, social and governance issues as



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they impact business, clients and ecosystems, as Accenture builds toward achieving the United Nations Global Compact's Sustainable Development Goals by 2030. He directs market growth for sustainability services and demand for responsible business consulting. Lacy previously led Accenture Strategy in Europe and Asia Pacific and helped launch the company's sustainability practice in 2008. He has led the world's largest CEO studies on behalf of the United Nations Secretary General and co-led a global research program on digital transformation with the World Economic Forum, where he also sits on the Forum of Young Global Leaders foundation board. Lacy is the author of two books on the value of the circular economy: *Waste to Wealth*, an international best seller, and its follow-up, *The Circular Economy Handbook*. Lacy earned a bachelor's degree from the University of Nottingham and has been a Business Fellow at the University of Oxford since 2010. He has completed executive programs at Harvard University, Yale University, the University of Cambridge and INSEAD.

COMPANY BRIEF Accenture ([accenture.com](https://www.accenture.com)) is a global professional services company with leading capabilities in digital, cloud and security. Combining unmatched experience and specialized skills across more than 40 industries, it offers Strategy and Consulting, Interactive, Technology and Operations services – all powered by the world's largest network of Advanced Technology and Intelligent Operations centers. Its more than 670,000 people deliver on the promise of technology and human ingenuity every day, serving clients in more than 120 countries. Accenture embraces the power of change to create value and shared success for its clients, people, shareholders, partners, and communities.

How do you define Accenture's purpose?

Our purpose is to deliver on the promise of technology and human ingenuity. It's about embracing change to create 360-degree value for our clients, people and communities. I think that at the heart of our purpose is the passion our people feel to help solve our clients' and the world's biggest challenges. Today, there are many challenges that the world is trying to solve, including rebuilding the global economy in a more equitable way, dealing with geopo-

litical strains and addressing the changes fourth industrial revolution technologies are bringing. On top of that, we have the biggest challenge that mankind has ever faced in terms of tackling climate change and threats to nature and biodiversity and making society more sustainable by adopting circular-economy practices.

All these challenges require both technology and human ingenuity to solve them at the necessary speed and scale. So, I feel our purpose is incredibly relevant for the times we live in.

What have been the keys to Accenture's strength and leadership and how do you define the Accenture difference?

There are lots of intangibles that drive some of these – but our people and our clients can feel it, tangibly. For me there are a few things that work together. The first important element is our culture and the purpose we just discussed. Creating value for our clients is one of our core values and it's something our people are passionate about. The second element is innovation. We have always occupied a special place at the crux of technology and human ingenuity, from our founding in driving the digital transformation, all the way to today's leadership in cloud, AI and emerging leadership in the metaverse. The third element has to do with the breadth of what we can do. Together with our technology partners, we can help clients from strategy to implementation to ongoing operations and make sure nothing gets lost along the way, and that really sets us apart. Lastly, it is our long-held belief in shared success that drives us forward as a company. Accenture has always been very clear about balancing the needs of all stakeholders, both in terms of how we run our own organization and in terms of how we advise our clients. We believe that organizations that strive to serve all

stakeholders are more competitive – they serve their clients better, they attract and retain better people, they are more innovative, and they build more trust across society for the long haul.

Will you provide an overview of your role and areas of focus?

As Global Sustainability Services Lead and Chief Responsibility Officer, I'm a member of Accenture's Global Management Committee, our leadership team that reports to our Chair and CEO. There are three areas that I have responsibility for leading:

First, the development of all our commercial sustainability services. That can be in terms of the specific services we are offering clients as they work to become more sustainable, so for instance helping them move to net-zero greenhouse gas emissions or helping them set, measure and report Environmental, Social and Governance targets. It can also be in the way that we are building sustainability into every service we offer clients – what we call sustainability by design. So that means if a client comes to us because they want to move to cloud computing, we'll help them do that in a sustainable way from the outset.

Second, I'm responsible for Accenture's own responsible practices and behavior – a wide-ranging role given that we now have 674,000 people based in 50 countries. It's rare – and unique in our industry – for one person to combine these internal and external roles. When Julie Sweet, our Chair and CEO, asked me to take this on we felt it was important to combine the two responsibilities and be our own best credential across all the sustainability areas that we're helping our clients to address. In fact, when we announced my role, we did it at the same time as making our commitment to be net-zero by 2025.

Third, I manage the relationships that Accenture has with global partners such as the UN Global Compact (UNGC) and the World Economic Forum (WEF) around sustainability topics. We do important work with these partners, including our long-running CEO sustainability survey with the UNGC and research with the WEF on what makes organizations sustainable.

Accenture is engaged in the communities it serves and committed to addressing societal need. Do you see this as a responsibility of leading companies?

Unequivocally yes. You cannot have a healthy business in an unhealthy society. At Accenture, we feel it's our responsibility to

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Of course, our responsibilities extend far beyond our own walls, to the communities in which we live and work. The pandemic that we’ve lived through for the past two years has presented new challenges across society as well as leading to widespread grief and loss. To help, we contributed \$54 million to COVID-19 relief efforts, and in India we worked with NGOs to help deliver more than five million vaccine doses to members of hard-to-reach groups including the elderly, the LGBT community and migrants. As we look beyond the pandemic and rebuilding a more equitable and just society, our Skills to Succeed initiative has helped nearly six million people worldwide to develop business and entrepreneurial skills to help them find a job or start a business.

Our commitments also extend far beyond philanthropy. We work to encourage inclusion and diversity among our suppliers, we make sure we do business in line with our values and that we adhere to the highest governance standards, and as I mentioned previously, we embed sustainability into everything we do and with everyone we work with to drive business value and sustainable impact.

How does Accenture decide which issues and areas to address in its CSR efforts?

The first thing to say is that Julie Sweet, our Chair and CEO, is very engaged in our responsible-business approach and our corporate citizenship initiatives – when she took the role in 2019, she brought fresh perspectives and huge energy to her entire role, including responsible business. Having a CEO who’s passionate about these issues speeds up decision-making and makes the execution of programs much easier.

Then of course we have leading governance in place – including a global corporate responsibility steering committee – to determine what issues should demand our attention today and what issues may be coming over the horizon tomorrow. From there it’s about matching the areas of greatest need against our capabilities as an organization – where we can make the most difference. So that’s why a lot of our work in the community focuses on things such as technology skills that will help people get better jobs or start businesses.

Will you highlight Accenture’s sustainability initiatives and how Accenture integrates sustainability in its client work?

We’re committed to sustainability within our own organization. We’ve signed the UNGC’s Business Ambition for 1.5°C Pledge and committed to RE100’s global initiative to use 100 percent renewable electricity by 2023. To meet our commitment of being net-zero by 2025, we’re focusing first on actual reductions in our emissions and then, to address any remaining emissions, we’ll invest in proprietary, nature-based carbon removal projects across the globe that are targeted at directly removing emissions from the atmosphere. Over the next 20 years, this program is expected to physically remove more than 13 million metric tons of carbon.

We’ve worked on sustainability projects with our clients for a long time – I was one of the founders of our practice 14 years ago. We’re proud to work with our partners and clients to develop innovative solutions to their biggest sustainability challenges. For example, we’re helping Duke Energy, one of the U.S.’ biggest utilities companies, to monitor natural gas distribution networks via satellite so the company can rapidly find and repair methane leaks – saving costs and cutting emissions. We’re also working with our ecosystem partners to help a global technology payments company enhance its ability to measure and analyze carbon emissions across its value chain, in support of its Science Based Target to reduce absolute Scope 3 greenhouse gas emissions by 20 percent by 2025.

We are also embedding ESG capabilities into all of our services. So, if for example we’re creating software for a client, we’ll write it so that it uses as little energy as possible to run – it’s an evolution of our company-wide offerings and assets to embed sustainability in a way that creates genuine business value and sustainability impact for our clients.

Will you discuss Accenture’s commitment to building a diverse and inclusive workforce?

Accenture has a long-standing commitment to inclusion and diversity that starts at the top with our chair and chief executive officer and board of directors. We expect leaders at all levels to help create and sustain a culture of equality where everyone can advance and thrive. Our areas of focus include gender, ethnicity, LGBTI, religion, persons with disabilities and cross-cultural diversity.

Our commitment enables us to attract, develop, inspire and reward top talent. And it creates an environment that encourages innovation, allows our people to perform at their best and underpins a culture in which everyone feels they have an equal opportunity to belong and build a career.

This is something that we hold ourselves accountable for, with business leaders across the organization being evaluated based on meeting inclusiveness and diversity goals.

How critical are metrics to measure the impact of Accenture’s responsibility work?

Metrics are essential to tracking where we are and making sure we’re hitting the targets that we’ve set for ourselves. It’s the old business cliché that what matters gets measured – and managed – which is true. At Accenture we are committed to measuring our success by how well we create 360-degree value for all our stakeholders – clients, people, partners, shareholders and communities – and on our culture of shared success. On Accenture’s year-end earnings call last year, Julie Sweet didn’t start with quarterly revenue or earnings. She started talking about ESG measures – promotions, training, gender parity and renewable energy in our locations. She did that because those things are just as important as the financials, and they all need to be considered together. With our year-end reporting last year, we actually reported against six of the most important ESG frameworks.

The announcement of the launch of the International Sustainability Standards Board last November at COP26 in Glasgow means that this type of measurement and reporting will become the norm for public companies over the next couple of years, and this will require a revolution in how we think about data, technology and skills. At Accenture we aren’t waiting for regulations, though. We see our focus on sustainability as not only the right thing to do, but also a real source of competitive advantage for us.

It’s always important to remember that the metrics themselves are just a way of keeping track. A focus on sustainability requires a fundamental shift for most organizations – in mindset firstly, but also in terms of strategy and operations – and that’s what really matters. We’ve come a long way, and while we know that there’s still a long way to go, this is an extremely exciting time to be working in sustainability. ●