Accenture, Microsoft and Avanade Expand Partnership to Help Organizations Tackle Their Greatest Sustainability Challenges

NEW YORK, REDMOND, Wash. and SEATTLE; June 2, 2022 – Accenture (NYSE: ACN) and Microsoft, together with their joint venture Avanade, are joining forces to tackle climate change, one of the most critical and urgent challenges for both businesses and people. With an immediate emphasis on delivering solutions to help organizations transform their operations, products, services and value chains to help accelerate the transition to net zero, the three companies will expand their focus to broader environmental, social and governance (ESG) challenges in the future.

The companies are investing in the co-development of innovative solutions—architected and designed at the onset to emit less carbon over their life cycle—and offering advisory services to help businesses reduce carbon emissions, speed the transition to new energy sources, and shrink or even eliminate waste of finite resources such as water, food and raw materials.

With the powerful combination of Accenture <u>Sustainability Services</u>, Avanade's human-centered digital experience, the Microsoft Cloud and each company's robust data and artificial intelligence (AI) capabilities, the expanded strategic partnership will address both horizontal and industry-specific sustainability challenges to help drive impact and deliver new value.

"Increasingly, as all stakeholders look to business to move from commitment to action on environmental challenges, companies that embed sustainability across their enterprises can become a powerful force for change," said Julie Sweet, chair and chief executive officer of Accenture. "Our partnership with Microsoft and Avanade will help organizations find new value at the intersection of technology and sustainability – from embracing green software development principles and sustainable cloud migrations, to digital twin technology adoption – to drive stronger performance and competitiveness, and make progress on their decarbonization goals and their journey to net zero."

"Operating sustainably has become a source of competitive advantage, enabling organizations to increase efficiency, accelerate growth and lead with purpose," said Judson Althoff, executive vice president and chief commercial officer, Microsoft. "By combining our expertise with Accenture and Avanade, we have an opportunity and responsibility to deliver innovative solutions that will empower organizations to achieve their sustainability goals and drive lasting environmental change."

Through the expanded strategic partnership, the companies will collaborate to extend existing capabilities and develop new joint offerings across four areas:

- Digital Manufacturing Transition Manufacturing organizations need to rapidly establish and scale the digital foundation of individual production sites and factory networks. Joint offerings will help improve asset utilization and deploy business models that enable circularity. They will also apply digital twin technology to help reduce emissions, waste, the consumption of materials, water and other resources in production and operations, and improve transparency across the value chain. An Accenture and UN Global Compact study found that globally, 44% of CEOs say that digital twins will make a significant impact on sustainability in their industry over the next five years
- Low Carbon Energy Transition Seventy-three percent of CEOs told <u>Accenture and UN Global Compact</u> that they feel increased pressure to act on sustainability over the next three years. To do so, businesses need to transform operations across the energy value chain. Joint offerings will help companies in the transition to a net zero economy by connecting and integrating energy infrastructure to develop carbon intelligence, and transform customer offers and business models that can support low carbon energy experiences.
- Sustainable IT with Microsoft Azure and Green Software Engineering Organizations are seeking energy-efficient infrastructure along with greater workload flexibility and business agility. Accenture research shows that shifting from on-premise data centers to the public cloud

can reduce an enterprise's energy usage by 65% and cut carbon emissions by more than 84%. New solutions on Microsoft Azure span strategy development and assessment of current IT infrastructure; architecting and piloting solutions; a carbon aware approach to migration and green software engineering; and continuous improvement and business transformation with low carbon cloud as its foundation.

• ESG Measurement, Analytics and Performance with Microsoft Cloud for Sustainability – Facing increasing regulatory and stakeholder demands, organizations need insights at their fingertips to innovate and embed sustainability into the design of new products and services. Joint solutions will focus on providing sustainability intelligence for value chains by helping to break siloes and provide data-led insights so clients can not only record and report sustainability metrics, but—even more importantly—take action. Companies that consistently demonstrate high ESG performance score 2.6x higher on total shareholder return than counterparts, according to Accenture research.

"The world is at an inflection point where organizations are expected to play an active role in addressing sustainability issues," said Pam Maynard, chief executive officer, Avanade. "Now more than ever, technology is key to accelerating environmental, social and governance goals and enabling organizations to be sustainable through continual change. We're excited about the opportunity to help leaders leverage the power of people and technology to take practical sustainability actions that make a genuine human impact."

Josh Matthews, industry analyst from HFS Research, added, "Sustainability technologies and services need ecosystems of partners to refine and scale solutions. They must quickly set the benchmark for others to follow given how far behind most organizations, industries, and governments are in aligning under the global sustainability context of decarbonization and addressing all 17 UN Goals. Ecosystem collaborations, like this one between Accenture, Microsoft and Avanade, will not only help to refine and scale solutions, but also help to solve the data and transparency challenges which organizations frequently cite to us as major barriers to their sustainability journeys."

This expanded strategic partnership builds on Accenture, Microsoft and Avanade's current joint sustainability efforts, including their pioneering role in the <u>Green Software Foundation</u>, a non-profit that is building a trusted ecosystem of people, standards, tooling and practices for green software development. Through a joint initiative called <u>Project Amplify</u>, Accenture and Microsoft have also supported dozens of start-ups focused on social impact and sustainability by providing access to emerging technology and expertise to help scale their solutions.

About Accenture

Accenture 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, we offer Strategy and Consulting, Technology and Operations services and Accenture Song—all powered by the world's largest network of Advanced Technology and Intelligent Operations centers. Our 699,000 people deliver on the promise of technology and human ingenuity every day, serving clients in more than 120 countries. We embrace the power of change to create value and shared success for our clients, people, shareholders, partners and communities. Visit us at accenture.com.

About Microsoft

Microsoft (Nasdaq "MSFT" @microsoft) enables digital transformation for the era of an intelligent cloud and an intelligent edge. Its mission is to empower every person and every organization on the planet to achieve more.

About Avanade

Avanade is the leading provider of innovative digital, cloud and advisory services, industry solutions and design-led experiences across the Microsoft ecosystem. Every day, our 56,000 professionals in 26 countries make a genuine human impact for our clients, their employees and their customers. We have been recognized as Microsoft's Global SI Partner of the Year more than any other company. With the

most Microsoft certifications (60,000+) and 18 (out of 18) Gold-level Microsoft competencies, we are uniquely positioned to help businesses grow and solve their toughest challenges. We are a people first company, committed to providing an inclusive workplace where employees feel comfortable being their authentic selves. As a responsible business, we are building a sustainable world and helping young people from underrepresented communities fulfill their potential.

Majority owned by Accenture, Avanade was founded in 2000 by Accenture LLP and Microsoft Corporation. Learn more at http://www.avanade.com/.

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Contacts:

Hannah Unkefer Accenture +1 206 839 2172 hannah.m.unkefer@accenture.com

Alexander Aizenberg
Accenture
+1 917 452 9878
alexander.aizenberg@accenture.com

Microsoft Media Relations WE Communications for Microsoft +1 425 638 7777 rapidresponse@we-worldwide.com

Claire Booty Avanade +447930760031 Claire.booty@avanade.com

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