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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended May 31, 2022
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number: 001-34448

Accenture plc

(Exact name of registrant as specified in its charter)

Ireland	**98-0627530**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1 Grand Canal Square,
Grand Canal Harbour,
Dublin 2, Ireland
(Address of principal executive offices)
(353) (1) 646-2000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A ordinary shares, par value $0.0000225 per share	ACN	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐	Non-accelerated filer	☐
Smaller reporting company	☐	Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

The number of shares of the registrant's Class A ordinary shares, par value $0.0000225 per share, outstanding as of June 9, 2022 was 664,188,290 (which number includes 31,640,581 issued shares held by the registrant). The number of shares of the registrant's Class X ordinary shares, par value $0.0000225 per share, outstanding as of June 9, 2022 was 503,837.

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Part I — Financial Information
Item 1. Financial Statements

Consolidated Balance Sheets
May 31, 2022 and August 31, 2021

	May 31, 2022	August 31, 2021
ASSETS	*(Unaudited)*	
CURRENT ASSETS:		
Cash and cash equivalents	$ 6,703,568	$ 8,168,174
Short-term investments	4,322	4,294
Receivables and contract assets	12,219,074	9,728,212
Other current assets	2,080,776	1,765,831
Total current assets	**21,007,740**	**19,666,511**
NON-CURRENT ASSETS:		
Contract assets	35,714	38,334
Investments	331,503	329,526
Property and equipment, net	1,665,478	1,639,105
Lease assets	3,178,636	3,182,519
Goodwill	12,499,443	11,125,861
Deferred contract costs	826,042	731,445
Deferred tax assets	4,013,089	4,007,130
Other non-current assets	2,537,553	2,455,412
Total non-current assets	**25,087,458**	**23,509,332**
TOTAL ASSETS	**$ 46,095,198**	**$ 43,175,843**
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term debt and bank borrowings	$ 8,768	$ 12,080
Accounts payable	2,384,352	2,274,057
Deferred revenues	4,561,147	4,229,177
Accrued payroll and related benefits	7,047,124	6,747,853
Income taxes payable	615,959	423,400
Lease liabilities	733,805	744,164
Accrued consumption taxes	640,252	609,553
Other accrued liabilities	571,185	668,583
Total current liabilities	**16,562,592**	**15,708,867**
NON-CURRENT LIABILITIES:		
Long-term debt	51,546	53,473
Deferred revenues	733,982	700,080
Retirement obligation	2,026,018	2,016,021
Deferred tax liabilities	364,951	243,636
Income taxes payable	1,197,105	1,105,896
Lease liabilities	2,694,489	2,696,917
Other non-current liabilities	452,792	553,839
Total non-current liabilities	**7,520,883**	**7,369,862**
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY:		
Ordinary shares, par value 1.00 euros per share, 40,000 shares authorized and issued as of May 31, 2022 and August 31, 2021	57	57
Class A ordinary shares, par value $0.0000225 per share, 20,000,000,000 shares authorized, 663,985,273 and 656,590,625 shares issued as of May 31, 2022 and August 31, 2021, respectively	15	15
Class X ordinary shares, par value $0.0000225 per share, 1,000,000,000 shares authorized, 503,837 and 512,655 shares issued and outstanding as of May 31, 2022 and August 31, 2021, respectively	—	—
Restricted share units	1,753,930	1,750,784
Additional paid-in capital	10,534,282	8,617,838
Treasury shares, at cost: Ordinary, 40,000 shares as of May 31, 2022 and August 31, 2021; Class A ordinary, 31,527,538 and 24,504,666 shares as of May 31, 2022 and August 31, 2021, respectively	(6,122,402)	(3,408,491)
Retained earnings	17,177,358	13,988,748
Accumulated other comprehensive loss	(1,954,146)	(1,419,497)
Total Accenture plc shareholders' equity	**21,389,094**	**19,529,454**
Noncontrolling interests	622,629	567,660
Total shareholders' equity	**22,011,723**	**20,097,114**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$ 46,095,198**	**$ 43,175,843**

The accompanying Notes are an integral part of these Consolidated Financial Statements.

Consolidated Income Statements
For the Three and Nine Months Ended May 31, 2022 and 2021
(Unaudited)

	Three Months Ended		Nine Months Ended	
	May 31, 2022	May 31, 2021	May 31, 2022	May 31, 2021
REVENUES:				
Revenues	$ 16,158,803	$ 13,263,795	$ 46,170,649	$ 37,114,105
OPERATING EXPENSES:				
Cost of services	10,844,069	8,859,411	31,415,167	25,216,193
Sales and marketing	1,660,919	1,406,606	4,530,158	3,773,268
General and administrative costs	1,050,697	879,122	3,126,332	2,461,804
Total operating expenses	**13,555,685**	**11,145,139**	**39,071,657**	**31,451,265**
OPERATING INCOME	**2,603,118**	**2,118,656**	**7,098,992**	**5,662,840**
Interest income	8,727	4,551	22,046	23,643
Interest expense	(12,050)	(28,739)	(34,449)	(46,515)
Other income (expense), net	(8,877)	(467)	(39,089)	203,343
Loss on disposition of Russia business	(96,294)	—	(96,294)	—
INCOME BEFORE INCOME TAXES	**2,494,624**	**2,094,001**	**6,951,206**	**5,843,311**
Income tax expense	675,308	524,429	1,654,631	1,290,189
NET INCOME	**1,819,316**	**1,569,572**	**5,296,575**	**4,553,122**
Net income attributable to noncontrolling interests in Accenture Canada Holdings Inc.	(1,902)	(1,699)	(5,578)	(5,001)
Net income attributable to noncontrolling interests – other	(31,339)	(18,447)	(78,956)	(57,560)
NET INCOME ATTRIBUTABLE TO ACCENTURE PLC	**$ 1,786,075**	**$ 1,549,426**	**$ 5,212,041**	**$ 4,490,561**
Weighted average Class A ordinary shares:				
Basic	632,749,442	635,203,753	632,969,487	635,151,632
Diluted	641,004,741	645,454,021	643,692,440	646,244,001
Earnings per Class A ordinary share:				
Basic	$ 2.82	$ 2.44	$ 8.23	$ 7.07
Diluted	$ 2.79	$ 2.40	$ 8.11	$ 6.96
Cash dividends per share	$ 0.97	$ 0.88	$ 2.91	$ 2.64

The accompanying Notes are an integral part of these Consolidated Financial Statements.

Consolidated Statements of Comprehensive Income
For the Three and Nine Months Ended May 31, 2022 and 2021
(Unaudited)

	Three Months Ended		Nine Months Ended	
	May 31, 2022	May 31, 2021	May 31, 2022	May 31, 2021
NET INCOME	$ 1,819,316	$ 1,569,572	$ 5,296,575	$ 4,553,122
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX:				
Foreign currency translation	(231,311)	68,079	(442,664)	234,390
Defined benefit plans	10,292	11,048	6,865	32,184
Cash flow hedges	(57,642)	70,554	(98,850)	34,457
Investments	—	—	—	49
OTHER COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO ACCENTURE PLC	**(278,661)**	**149,681**	**(534,649)**	**301,080**
Other comprehensive income (loss) attributable to noncontrolling interests	(4,456)	3,993	(10,032)	5,965
COMPREHENSIVE INCOME	**$ 1,536,199**	**$ 1,723,246**	**$ 4,751,894**	**$ 4,860,167**
COMPREHENSIVE INCOME ATTRIBUTABLE TO ACCENTURE PLC	**$ 1,507,414**	**$ 1,699,107**	**$ 4,677,392**	**$ 4,791,641**
Comprehensive income attributable to noncontrolling interests	28,785	24,139	74,502	68,526
COMPREHENSIVE INCOME	**$ 1,536,199**	**$ 1,723,246**	**$ 4,751,894**	**$ 4,860,167**

The accompanying Notes are an integral part of these Consolidated Financial Statements.

Consolidated Shareholders' Equity Statement
For the Three Months Ended May 31, 2022

(Unaudited)

	Ordinary Shares		Class A Ordinary Shares		Class X Ordinary Shares				Treasury Shares							
	$	No. Shares	$	No. Shares	$	No. Shares	Restricted Share Units	Additional Paid-in Capital	$	No. Shares	Retained Earnings	Accumulated Other Comprehensive Loss	Total Accenture plc Shareholders' Equity	Noncontrolling Interests	Total Shareholders' Equity
Balance as of February 28, 2022	$57	40	$15	662,417	$—	504	$1,438,596	$10,065,790	$(5,297,349)	(29,035)	$16,028,399	$ (1,675,485)	$ 20,560,023	$ 596,956	$ 21,156,979
Net income											1,786,075		1,786,075	33,241	1,819,316
Other comprehensive income (loss)												(278,661)	(278,661)	(4,456)	(283,117)
Purchases of Class A shares								925	(972,171)	(3,102)			(971,246)	(925)	(972,171)
Share-based compensation expense							346,666	60,591					407,257		407,257
Purchases/redemptions of Accenture Canada Holdings Inc. exchangeable shares and Class X shares													—		—
Issuances of Class A shares for employee share programs				1,568			(55,313)	405,704	147,118	569			497,509	465	497,974
Dividends							23,981				(637,116)		(613,135)	(650)	(613,785)
Other, net								1,272					1,272	(2,002)	(730)
Balance as of May 31, 2022	**$57**	**40**	**$15**	**663,985**	**$—**	**504**	**$1,753,930**	**$10,534,282**	**$(6,122,402)**	**(31,568)**	**$17,177,358**	**$ (1,954,146)**	**$ 21,389,094**	**$ 622,629**	**$ 22,011,723**

The accompanying Notes are an integral part of these Consolidated Financial Statements.

Consolidated Shareholders' Equity Statement — (continued)
For the Three Months Ended May 31, 2021
(Unaudited)

	Ordinary Shares		Class A Ordinary Shares		Class X Ordinary Shares		Restricted Share Units	Additional Paid-in Capital	Treasury Shares		Retained Earnings	Accumulated Other Comprehensive Loss	Total Accenture plc Shareholders' Equity	Noncontrolling Interests	Total Shareholders' Equity
	$	No. Shares	$	No. Shares	$	No. Shares			$	No. Shares					
Balance as of February 28, 2021	$57	40	$15	665,115	$—	521	$1,207,161	$8,389,344	$(3,913,917)	(29,508)	$14,035,805	$ (1,410,438)	$ 18,308,027	$ 534,400	$ 18,842,427
Net income											1,549,426		1,549,426	20,146	1,569,572
Other comprehensive income (loss)												149,681	149,681	3,993	153,674
Purchases of Class A shares								811	(832,456)	(3,006)			(831,645)	(811)	(832,456)
Share-based compensation expense							282,861	48,177					331,038		331,038
Purchases/redemptions of Accenture Canada Holdings Inc. exchangeable shares and Class X shares						(5)		(2,539)					(2,539)		(2,539)
Issuances of Class A shares for employee share programs				1,279			(30,160)	315,312	106,950	515			392,102	376	392,478
Dividends							22,495				(580,950)		(558,455)	(615)	(559,070)
Other, net								5,210					5,210	(6,370)	(1,160)
Balance as of May 31, 2021	**$57**	**40**	**$15**	**666,394**	**$—**	**516**	**$1,482,357**	**$8,756,315**	**$(4,639,423)**	**(31,999)**	**$15,004,281**	**$ (1,260,757)**	**$ 19,342,845**	**$ 551,119**	**$ 19,893,964**

The accompanying Notes are an integral part of these Consolidated Financial Statements.

Consolidated Shareholders' Equity Statement — (continued)
For the Nine Months Ended May 31, 2022
(Unaudited)

	Ordinary Shares		Class A Ordinary Shares		Class X Ordinary Shares		Restricted Share Units	Additional Paid-in Capital	Treasury Shares		Retained Earnings	Accumulated Other Comprehensive Loss	Total Accenture plc Shareholders' Equity	Noncontrolling Interests	Total Shareholders' Equity
	$	No. Shares	$	No. Shares	$	No. Shares			$	No. Shares					
Balance as of August 31, 2021	$57	40	$15	656,591	$—	513	$1,750,784	$ 8,617,838	$(3,408,491)	(24,545)	$13,988,748	$ (1,419,497)	$ 19,529,454	$ 567,660	$ 20,097,114
Net income											5,212,041		5,212,041	84,534	5,296,575
Other comprehensive income (loss)												(534,649)	(534,649)	(10,032)	(544,681)
Purchases of Class A shares								3,388	(3,506,617)	(10,119)			(3,503,229)	(3,388)	(3,506,617)
Share-based compensation expense							1,210,825	108,730					1,319,555		1,319,555
Purchases/redemptions of Accenture Canada Holdings Inc. exchangeable shares and Class X shares						(9)		(4,274)					(4,274)		(4,274)
Issuances of Class A shares for employee share programs				7,394			(1,285,617)	1,795,507	792,706	3,096	(103,889)		1,198,707	1,144	1,199,851
Dividends							77,938				(1,919,542)		(1,841,604)	(1,972)	(1,843,576)
Other, net								13,093					13,093	(15,317)	(2,224)
Balance as of May 31, 2022	**$57**	**40**	**$15**	**663,985**	**$—**	**504**	**$1,753,930**	**$10,534,282**	**$(6,122,402)**	**(31,568)**	**$17,177,358**	**$ (1,954,146)**	**$ 21,389,094**	**$ 622,629**	**$ 22,011,723**

The accompanying Notes are an integral part of these Consolidated Financial Statements.

Consolidated Shareholders' Equity Statement — (continued)
For the Nine Months Ended May 31, 2021
(Unaudited)

	Ordinary Shares		Class A Ordinary Shares		Class X Ordinary Shares		Restricted Share Units	Additional Paid-in Capital	Treasury Shares		Retained Earnings	Accumulated Other Comprehensive Loss	Total Accenture plc Shareholders' Equity	Noncontrolling Interests	Total Shareholders' Equity
	$	No. Shares	$	No. Shares	$	No. Shares			$	No. Shares					
Balance as of August 31, 2020	$57	40	$15	658,549	$—	528	$1,585,302	$7,167,227	$(2,565,761)	(24,423)	$12,375,533	$ (1,561,837)	$ 17,000,536	$ 498,637	$ 17,499,173
Net income											4,490,561		4,490,561	62,561	4,553,122
Other comprehensive income (loss)												301,080	301,080	5,965	307,045
Purchases of Class A shares								2,732	(2,780,928)	(10,970)			(2,778,196)	(2,732)	(2,780,928)
Share-based compensation expense							977,979	89,272					1,067,251		1,067,251
Purchases/redemptions of Accenture Canada Holdings Inc. exchangeable shares and Class X shares						(12)		(7,548)					(7,548)		(7,548)
Issuances of Class A shares for employee share programs				7,845			(1,145,096)	1,497,827	707,266	3,394	(121,342)		938,655	909	939,564
Dividends							64,172				(1,740,471)		(1,676,299)	(1,865)	(1,678,164)
Other, net								6,805					6,805	(12,356)	(5,551)
Balance as of May 31, 2021	**$57**	**40**	**$15**	**666,394**	**$—**	**516**	**$1,482,357**	**$8,756,315**	**$(4,639,423)**	**(31,999)**	**$15,004,281**	**$ (1,260,757)**	**$ 19,342,845**	**$ 551,119**	**$ 19,893,964**

The accompanying Notes are an integral part of these Consolidated Financial Statements.

Consolidated Cash Flows Statements
For the Nine Months Ended May 31, 2022 and 2021
(Unaudited)

	May 31, 2022	May 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 5,296,575	$ 4,553,122
Adjustments to reconcile Net income to Net cash provided by (used in) operating activities —		
Depreciation, amortization and other	1,553,311	1,404,961
Share-based compensation expense	1,319,555	1,067,251
Deferred tax expense (benefit)	(27,784)	(59,713)
Other, net	(99,979)	(291,096)
Change in assets and liabilities, net of acquisitions —		
Receivables and contract assets, current and non-current	(2,594,564)	(1,311,984)
Other current and non-current assets	(713,632)	(369,888)
Accounts payable	142,286	522,087
Deferred revenues, current and non-current	585,497	477,116
Accrued payroll and related benefits	489,743	915,407
Income taxes payable, current and non-current	360,262	192,362
Other current and non-current liabilities	(560,251)	(560,909)
Net cash provided by (used in) operating activities	**5,751,019**	**6,538,716**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(540,947)	(343,837)
Purchases of businesses and investments, net of cash acquired	(2,212,388)	(1,544,412)
Proceeds from the sale of businesses and investments, net of cash transferred	(108,099)	409,828
Other investing, net	9,397	19,971
Net cash provided by (used in) investing activities	**(2,852,037)**	**(1,458,450)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of shares	1,199,851	939,564
Purchases of shares	(3,510,891)	(2,788,476)
Proceeds from (repayments of) long-term debt, net	(11,530)	(1,286)
Cash dividends paid	(1,843,576)	(1,678,164)
Other financing, net	(43,468)	(30,190)
Net cash provided by (used in) financing activities	**(4,209,614)**	**(3,558,552)**
Effect of exchange rate changes on cash and cash equivalents	(153,974)	72,336
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(1,464,606)**	**1,594,050**
CASH AND CASH EQUIVALENTS, beginning of period	8,168,174	8,415,330
CASH AND CASH EQUIVALENTS, end of period	**$ 6,703,568**	**$ 10,009,380**
SUPPLEMENTAL CASH FLOW INFORMATION:		
Income taxes paid, net	$ 1,264,631	$ 1,090,696

The accompanying Notes are an integral part of these Consolidated Financial Statements.

1. Basis of Presentation

The accompanying unaudited interim Consolidated Financial Statements of Accenture plc and its controlled subsidiary companies have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") for quarterly reports on Form 10-Q and do not include all of the information and note disclosures required by U.S. generally accepted accounting principles ("U.S. GAAP") for complete financial statements. We use the terms "Accenture," "we" and "our" in the Notes to Consolidated Financial Statements to refer to Accenture plc and its subsidiaries. These Consolidated Financial Statements should therefore be read in conjunction with the Consolidated Financial Statements and Notes thereto for the fiscal year ended August 31, 2021 included in our Annual Report on Form 10-K filed with the SEC on October 15, 2021.

The accompanying unaudited interim Consolidated Financial Statements have been prepared in accordance with U.S. GAAP, which requires management to make estimates and assumptions that affect amounts reported in the Consolidated Financial Statements and accompanying disclosures. Although these estimates are based on management's best knowledge of current events and actions that we may undertake in the future, actual results may differ from those estimates. The Consolidated Financial Statements reflect all adjustments of a normal, recurring nature that are, in the opinion of management, necessary for a fair presentation of results for these interim periods. The results of operations for the three and nine months ended May 31, 2022 are not necessarily indicative of the results that may be expected for the fiscal year ending August 31, 2022.

Allowance for Credit Losses - Client Receivables and Contract Assets

As of May 31, 2022 and August 31, 2021, the total allowance for credit losses recorded for client receivables and contract assets was $25,895 and $32,206, respectively. The change in the allowance is primarily due to immaterial write-offs and changes in gross client receivables and contract assets.

Investments

All available-for-sale securities and liquid investments with an original maturity greater than three months but less than one year are considered to be Short-term investments. Non-current investments consist of equity securities in publicly-traded and privately-held companies and are accounted for using either the equity or fair value measurement alternative method of accounting (for investments without readily determinable fair values).

Our non-current investments are as follows:

	May 31, 2022	August 31, 2021
Equity method investments	$ 172,512	$ 184,157
Investments without readily determinable fair values	158,991	145,369
Total non-current investments	**$ 331,503**	**$ 329,526**

For investments in which we can exercise significant influence but do not control, we use the equity method of accounting. Equity method investments are initially recorded at cost and our proportionate share of gains and losses of the investee are included as a component of Other income (expense), net. Our equity method investments consist primarily of an investment in Duck Creek Technologies. As of May 31, 2022, the carrying amount of our investment was $148,140, and the estimated fair value of our approximately 16% ownership was $340,426. We account for the investment under the equity method because we have the ability to influence operations through the combination of our voting power and through other factors, such as representation on the board and our business relationship.

Depreciation and Amortization

As of May 31, 2022 and August 31, 2021, total accumulated depreciation was $2,625,468 and $2,412,449, respectively. See table below for summary of depreciation on fixed assets, deferred transition amortization, intangible assets amortization and operating lease cost for the three and nine months ended May 31, 2022, respectively.

	Three Months Ended		Nine Months Ended	
	May 31, 2022	May 31, 2021 (1)	May 31, 2022	May 31, 2021 (1)
Depreciation	$ 150,272	$ 124,502	$ 438,937	$ 377,910
Amortization - Deferred transition	68,420	65,417	203,957	228,390
Amortization - Intangible assets	109,855	93,980	328,228	234,933
Operating lease cost	193,209	193,763	576,320	559,712
Other	2,430	1,324	5,869	4,016
Total depreciation, amortization and other	**$ 524,186**	**$ 478,986**	**$ 1,553,311**	**$ 1,404,961**

(1) Prior period amounts have been reclassified to conform with the current period presentation.

Recently Adopted Accounting Pronouncements

Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") No. 2021-08 ("Topic 805")

On September 1, 2021, we early adopted FASB ASU No. 2021-08, Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers, which requires an acquirer to recognize and measure contract assets and liabilities acquired in a business combination in accordance with Revenue from Contracts with Customers (Topic 606) rather than adjust them to fair value at the acquisition date. The adoption did not have a material impact on our Consolidated Financial Statements.

2. Revenues

Disaggregation of Revenue

See Note 11 (Segment Reporting) to these Consolidated Financial Statements for our disaggregated revenues.

Remaining Performance Obligations

We had remaining performance obligations of approximately $24 billion and $23 billion as of May 31, 2022 and August 31, 2021, respectively. Our remaining performance obligations represent the amount of transaction price for which work has not been performed and revenue has not been recognized. The majority of our contracts are terminable by the client on short notice with little or no termination penalties, and some without notice. Under Topic 606, only the non-cancelable portion of these contracts is included in our performance obligations. Additionally, our performance obligations only include variable consideration if we assess it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty is resolved. Based on the terms of our contracts, a significant portion of what we consider contract bookings is not included in our remaining performance obligations. We expect to recognize approximately 40% of our remaining performance obligations as of May 31, 2022 as revenue in fiscal 2022, an additional 36% in fiscal 2023, and the balance thereafter.

Contract Estimates

Adjustments in contract estimates related to performance obligations satisfied or partially satisfied in prior periods were immaterial for the three and nine months ended May 31, 2022 and 2021, respectively.

Contract Balances

Deferred transition revenues were $733,982 and $700,080 as of May 31, 2022 and August 31, 2021, respectively, and are included in Non-current deferred revenues. Costs related to these activities are also deferred and are expensed as the services are provided. Deferred transition costs were $826,042 and $731,445 as of May 31, 2022 and August 31, 2021, respectively, and are included in Deferred contract costs. Generally, deferred amounts are protected in the event of early termination of the contract and are monitored regularly for impairment. Impairment losses are recorded when projected remaining undiscounted operating cash flows of the related contract are not sufficient to recover the carrying amount of contract assets.

The following table provides information about the balances of our Receivables and Contract assets, net of allowance, and Contract liabilities (Deferred revenues):

	As of May 31, 2022	As of August 31, 2021
Receivables	$ 10,816,679	$ 8,796,992
Contract assets (current)	1,402,395	931,220
Receivables and contract assets, net of allowance (current)	**12,219,074**	**9,728,212**
Contract assets (non-current)	35,714	38,334
Deferred revenues (current)	4,561,147	4,229,177
Deferred revenues (non-current)	733,982	700,080

Changes in the contract asset and liability balances during the nine months ended May 31, 2022 were a result of normal business activity and not materially impacted by any other factors.

Revenues recognized during the three and nine months ended May 31, 2022 that were included in Deferred revenues as of February 28, 2022 and August 31, 2021 were $2.5 billion and $3.5 billion, respectively. Revenues recognized during the three and nine months ended May 31, 2021 that were included in Deferred revenues as of February 28, 2021 and August 31, 2020 were $2.2 billion and $3.1 billion, respectively.

3. Earnings Per Share

Basic and diluted earnings per share are calculated as follows:

	Three Months Ended		Nine Months Ended	
	May 31, 2022	May 31, 2021	May 31, 2022	May 31, 2021
Basic earnings per share				
Net income attributable to Accenture plc	$ 1,786,075	$ 1,549,426	$ 5,212,041	$ 4,490,561
Basic weighted average Class A ordinary shares	632,749,442	635,203,753	632,969,487	635,151,632
Basic earnings per share	**$ 2.82**	**$ 2.44**	**$ 8.23**	**$ 7.07**
Diluted earnings per share				
Net income attributable to Accenture plc	$ 1,786,075	$ 1,549,426	$ 5,212,041	$ 4,490,561
Net income attributable to noncontrolling interests in Accenture Canada Holdings Inc. (1)	1,902	1,699	5,578	5,001
Net income for diluted earnings per share calculation	**$ 1,787,977**	**$ 1,551,125**	**$ 5,217,619**	**$ 4,495,562**
Basic weighted average Class A ordinary shares	632,749,442	635,203,753	632,969,487	635,151,632
Class A ordinary shares issuable upon redemption/exchange of noncontrolling interests (1)	673,775	696,473	677,363	707,408
Diluted effect of employee compensation related to Class A ordinary shares	7,513,927	9,485,736	9,834,622	10,245,649
Diluted effect of share purchase plans related to Class A ordinary shares	67,597	68,059	210,968	139,312
Diluted weighted average Class A ordinary shares	**641,004,741**	**645,454,021**	**643,692,440**	**646,244,001**
Diluted earnings per share	**$ 2.79**	**$ 2.40**	**$ 8.11**	**$ 6.96**

(1) Diluted earnings per share assumes the exchange of all Accenture Canada Holdings Inc. exchangeable shares for Accenture plc Class A ordinary shares on a one-for-one basis. The income effect does not take into account “Net income attributable to noncontrolling interests - other,” since those shares are not redeemable or exchangeable for Accenture plc Class A ordinary shares.

4. Accumulated Other Comprehensive Loss

The following table summarizes the changes in the accumulated balances for each component of accumulated other comprehensive loss attributable to Accenture plc:

	Three Months Ended		Nine Months Ended	
	May 31, 2022	May 31, 2021	May 31, 2022	May 31, 2021
Foreign currency translation				
Beginning balance	$ (1,186,417)	$ (843,968)	$ (975,064)	$ (1,010,279)
Foreign currency translation	(235,827)	72,565	(455,075)	242,016
Income tax benefit (expense)	110	(583)	2,477	(1,734)
Portion attributable to noncontrolling interests	4,406	(3,903)	9,934	(5,892)
Foreign currency translation, net of tax	**(231,311)**	**68,079**	**(442,664)**	**234,390**
Ending balance	**(1,417,728)**	**(775,889)**	**(1,417,728)**	**(775,889)**
Defined benefit plans				
Beginning balance	(563,385)	(594,087)	(559,958)	(615,223)
Reclassifications into net periodic pension and post-retirement expense	12,579	13,698	7,881	41,035
Income tax benefit (expense)	(2,276)	(2,638)	(1,009)	(8,816)
Portion attributable to noncontrolling interests	(11)	(12)	(7)	(35)
Defined benefit plans, net of tax	**10,292**	**11,048**	**6,865**	**32,184**
Ending balance	**(553,093)**	**(583,039)**	**(553,093)**	**(583,039)**
Cash flow hedges				
Beginning balance	74,317	27,617	115,525	63,714
Unrealized gain (loss)	(37,978)	118,720	(31,924)	109,058
Reclassification adjustments into Cost of services	(27,449)	(33,043)	(78,142)	(68,329)
Income tax benefit (expense)	7,724	(15,045)	11,111	(6,234)
Portion attributable to noncontrolling interests	61	(78)	105	(38)
Cash flow hedges, net of tax	**(57,642)**	**70,554**	**(98,850)**	**34,457**
Ending balance (1)	**16,675**	**98,171**	**16,675**	**98,171**
Investments				
Beginning balance	—	—	—	(49)
Unrealized gain (loss)	—	—	—	49
Investments, net of tax	**—**	**—**	**—**	**49**
Ending balance	**—**	**—**	**—**	**—**
Accumulated other comprehensive loss	**$ (1,954,146)**	**$ (1,260,757)**	**$ (1,954,146)**	**$ (1,260,757)**

(1) As of May 31, 2022, $42,073 of net unrealized gains related to derivatives designated as cash flow hedges is expected to be reclassified into Cost of services in the next twelve months.

5. Business Combinations and Dispositions

Business Combinations

During the nine months ended May 31, 2022, we completed individually immaterial acquisitions for total consideration of $2,181,316, net of cash acquired. The pro forma effects of these acquisitions on our operations were not material.

Dispositions

During the third quarter of fiscal 2022, we disposed of our business in Russia, which was part of our Europe segment. The transaction resulted in a non-operating loss of $96,294, which was not deductible for tax purposes and did not have a material effect on our operations or financial results.

6. Goodwill and Intangible Assets

Goodwill

The changes in the carrying amount of goodwill by reportable operating segment are as follows:

	August 31, 2021	Additions/ Adjustments	Foreign Currency Translation	May 31, 2022
North America	$ 6,618,198	$ 396,122	$ (693)	$ 7,013,627
Europe	3,329,746	1,240,717	(363,646)	4,206,817
Growth Markets	1,177,917	137,532	(36,450)	1,278,999
Total	**$ 11,125,861**	**$ 1,774,371**	**$ (400,789)**	**$ 12,499,443**

Goodwill includes immaterial adjustments related to prior period acquisitions.

Intangible Assets

Our definite-lived intangible assets by major asset class are as follows:

	August 31, 2021			May 31, 2022		
Intangible Asset Class	**Gross Carrying Amount**	**Accumulated Amortization**	**Net Carrying Amount**	**Gross Carrying Amount**	**Accumulated Amortization**	**Net Carrying Amount**
Customer-related	$ 2,068,156	$ (654,460)	$ 1,413,696	$ 2,356,899	$ (807,826)	$ 1,549,073
Technology	250,481	(54,391)	196,090	264,040	(83,716)	180,324
Patents	126,202	(66,650)	59,552	127,688	(70,893)	56,795
Other	70,407	(28,807)	41,600	72,095	(36,992)	35,103
Total	**$ 2,515,246**	**$ (804,308)**	**$ 1,710,938**	**$ 2,820,722**	**$ (999,427)**	**$ 1,821,295**

Total amortization related to our intangible assets was $109,855 and $328,228 for the three and nine months ended May 31, 2022, respectively. Total amortization related to our intangible assets was $93,980 and $234,933 for the three and nine months ended May 31, 2021, respectively. Estimated future amortization related to intangible assets held as of May 31, 2022 is as follows:

Fiscal Year	**Estimated Amortization**
Remainder of 2022	$ 98,449
2023	350,336
2024	313,662
2025	290,175
2026	243,997
Thereafter	524,676
Total	**$ 1,821,295**

7. Shareholders' Equity

Dividends

Our dividend activity during the nine months ended May 31, 2022 is as follows:

Dividend Payment Date	Dividend Per Share	Accenture plc Class A Ordinary Shares		Accenture Canada Holdings Inc. Exchangeable Shares		Total Cash Outlay
		Record Date	Cash Outlay	Record Date	Cash Outlay	
November 15, 2021	$ 0.97	October 14, 2021	$ 612,543	October 12, 2021	$ 665	$ 613,208
February 15, 2022	0.97	January 13, 2022	615,926	January 11, 2022	657	616,583
May 13, 2022	0.97	April 14, 2022	613,135	April 12, 2022	650	613,785
Total Dividends			**$ 1,841,604**		**$ 1,972**	**$ 1,843,576**

The payment of cash dividends includes the net effect of $77,938 of additional restricted stock units being issued as a part of our share plans, which resulted in 233,603 restricted share units being issued.

Subsequent Event

On June 22, 2022, the Board of Directors of Accenture plc declared a quarterly cash dividend of $0.97 per share on our Class A ordinary shares for shareholders of record at the close of business on July 14, 2022 payable on August 15, 2022.

8. Financial Instruments

Derivatives

In the normal course of business, we use derivative financial instruments to manage foreign currency exchange rate risk. Our derivative financial instruments consist of deliverable and non-deliverable foreign currency forward contracts.

Cash Flow Hedges

For a cash flow hedge, the effective portion of the change in estimated fair value of a hedging instrument is recorded in Accumulated other comprehensive loss as a separate component of Shareholders' Equity and is reclassified into Cost of services in the Consolidated Income Statements during the period in which the hedged transaction is recognized. For information related to derivatives designated as cash flow hedges that were reclassified into Cost of services during the three and nine months ended May 31, 2022 and 2021, as well as those expected to be reclassified into Cost of services in the next 12 months, see Note 4 (Accumulated Other Comprehensive Loss) to these Consolidated Financial Statements.

Other Derivatives

Realized gains or losses and changes in the estimated fair value of foreign currency forward contracts that have not been designated as hedges were net losses of $31,285 and $67,812 for the three and nine months ended May 31, 2022, respectively, and net losses of $13,165 and net gains of $11,370 for the three and nine months ended May 31, 2021, respectively. Gains and losses on these contracts are recorded in Other income (expense), net in the Consolidated Income Statements and are offset by gains and losses on the related hedged items.

Fair Value of Derivative Instruments

The notional and fair values of all derivative instruments are as follows:

	May 31, 2022	August 31, 2021
Assets		
Cash Flow Hedges		
Other current assets	$ 66,800	$ 109,416
Other non-current assets	41,290	70,250
Other Derivatives		
Other current assets	34,578	32,322
Total assets	**$ 142,668**	**$ 211,988**
Liabilities		
Cash Flow Hedges		
Other accrued liabilities	$ 24,727	$ 5,867
Other non-current liabilities	27,774	8,585
Other Derivatives		
Other accrued liabilities	35,556	3,614
Total liabilities	**$ 88,057**	**$ 18,066**
Total fair value	**$ 54,611**	**$ 193,922**
Total notional value	**$ 10,749,922**	**$ 10,045,903**

We utilize standard counterparty master agreements containing provisions for the netting of certain foreign currency transaction obligations and for the set-off of certain obligations in the event of an insolvency of one of the parties to the transaction. In the Consolidated Balance Sheets, we record derivative assets and liabilities at gross fair value. The potential effect of netting derivative assets against liabilities under the counterparty master agreements is as follows:

	May 31, 2022	August 31, 2021
Net derivative assets	$ 83,716	$ 193,936
Net derivative liabilities	29,105	14
Total fair value	**$ 54,611**	**$ 193,922**

9. Income Taxes

We apply an estimated annual effective tax rate to our year-to-date operating results to determine the interim provision for income tax expense. In addition, we recognize taxes related to unusual or infrequent items or resulting from a change in judgment regarding a position taken in a prior year as discrete items in the interim period in which the event occurs.

Our effective tax rates for the three months ended May 31, 2022 and 2021 were 27.1% and 25.0%, respectively. The effective tax rate for the three months ended May 31, 2022 included higher tax expense from changes in the geographic distribution of earnings. Our effective tax rates for the nine months ended May 31, 2022 and 2021 were 23.8% and 22.1%, respectively. Absent the $271,009 gain on our investment in Duck Creek Technologies and related $41,440 in tax expense, our effective tax rate for the nine months ended May 31, 2021 would have been 22.4%. The effective tax rate for the nine months ended May 31, 2022 included higher tax expense from changes in the geographic distribution of earnings, partially offset by higher tax benefits from share-based payments.

10. Commitments and Contingencies

Indemnifications and Guarantees

In the normal course of business and in conjunction with certain client engagements, we have entered into contractual arrangements through which we may be obligated to indemnify clients with respect to certain matters.

As of May 31, 2022 and August 31, 2021, our aggregate potential liability to our clients for expressly limited guarantees involving the performance of third parties was approximately $1,445,000 and $885,000, respectively, of which all but approximately $51,000 and $78,000, respectively, may be recovered from the other third parties if we are obligated to make payments to the indemnified parties as a consequence of a performance default by the other third parties. For arrangements with unspecified limitations, we cannot reasonably estimate the aggregate maximum potential liability, as it is inherently difficult to predict the maximum potential amount of such payments, due to the conditional nature and unique facts of each particular arrangement.

As of May 31, 2022 and August 31, 2021, we have issued or provided guarantees in the form of letters of credit and surety bonds of $1,108,966 and $928,918, respectively, the majority of which support certain contracts that require us to provide them as a guarantee of our performance. These guarantees are typically renewed annually and remain in place until the contractual obligations are satisfied. In general, we would only be liable for these guarantees in the event we defaulted in performing our obligations under each contract, the probability of which we believe is remote.

To date, we have not been required to make any significant payment under any of the arrangements described above. We have assessed the current status of performance/payment risk related to arrangements with limited guarantees, warranty obligations, unspecified limitations, indemnification provisions, letters of credit and surety bonds, and believe that any potential payments would be immaterial to the Consolidated Financial Statements, as a whole.

Legal Contingencies

As of May 31, 2022, we or our present personnel had been named as a defendant in various litigation matters. We and/or our personnel also from time to time are involved in investigations by various regulatory or legal authorities concerning matters arising in the course of our business around the world. Based on the present status of these matters, management believes the range of reasonably possible losses in addition to amounts accrued, net of insurance recoveries, will not have a material effect on our results of operations or financial condition.

On July 24, 2019, Accenture was named in a putative class action lawsuit filed by consumers of Marriott International, Inc. (“Marriott”) in the U.S. District Court for the District of Maryland. The complaint alleges negligence by us, and seeks monetary damages, costs and attorneys’ fees and other related relief, relating to a data security incident involving unauthorized access to the reservations database of Starwood Worldwide Resorts, Inc. (“Starwood”), which was acquired by Marriott on September 23, 2016. Since 2009, we have provided certain IT infrastructure outsourcing services to Starwood. On October 27, 2020, the court issued an order largely denying Accenture’s motion to dismiss the claims against us. On May 3, 2022, the court issued an order granting in part the plaintiffs’ motion for class certification, which we are appealing. We continue to believe the lawsuit is without merit and we will vigorously defend it. At present, we do not believe any losses from this matter will have a material effect on our results of operations or financial condition.

11. Segment Reporting

Our reportable segments are our three geographic markets, which are North America, Europe and Growth Markets. Information regarding reportable segments, industry groups and type of work is as follows:

	Revenues			
	Three Months Ended		Nine Months Ended	
	May 31, 2022	May 31, 2021	May 31, 2022	May 31, 2021
GEOGRAPHIC MARKETS				
North America	$ 7,613,629	$ 6,199,583	$ 21,597,880	$ 17,312,514
Europe	5,350,360	4,452,360	15,460,313	12,449,811
Growth Markets	3,194,814	2,611,852	9,112,456	7,351,780
Total Revenues	**$ 16,158,803**	**$ 13,263,795**	**$ 46,170,649**	**$ 37,114,105**
INDUSTRY GROUPS				
Communications, Media & Technology	$ 3,427,232	$ 2,704,260	$ 9,703,579	$ 7,518,074
Financial Services	3,079,418	2,597,532	8,869,296	7,321,378
Health & Public Service	2,917,028	2,519,591	8,333,915	6,993,381
Products	4,601,473	3,673,963	13,212,255	10,220,982
Resources	2,133,652	1,768,449	6,051,604	5,060,290
Total Revenues	**$ 16,158,803**	**$ 13,263,795**	**$ 46,170,649**	**$ 37,114,105**
TYPE OF WORK				
Consulting	$ 9,032,484	$ 7,260,428	$ 25,747,095	$ 20,032,392
Outsourcing	7,126,319	6,003,367	20,423,554	17,081,713
Total Revenues	**$ 16,158,803**	**$ 13,263,795**	**$ 46,170,649**	**$ 37,114,105**

	Operating Income			
	Three Months Ended		Nine Months Ended	
	May 31, 2022	May 31, 2021	May 31, 2022	May 31, 2021
GEOGRAPHIC MARKETS				
North America	$ 1,379,828	$ 1,128,352	$ 3,715,155	$ 2,789,305
Europe	693,512	607,858	1,969,997	1,740,221
Growth Markets	529,778	382,446	1,413,840	1,133,314
Total Operating Income	**$ 2,603,118**	**$ 2,118,656**	**$ 7,098,992**	**$ 5,662,840**

During the third quarter of fiscal 2022, we identified an immaterial misclassification in Note 16 (Segment Reporting) to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended August 31, 2021. Net assets for North America and Growth Markets as of August 31, 2021 were understated with an offsetting overstatement in Europe. There was no effect on total net assets or on any other items in Accenture's Consolidated Financial Statements. The disclosure has been adjusted below and will be corrected in Accenture's Annual Report on Form 10-K for the year ended August 31, 2022.

	North America	Europe	Growth Markets	Total
Net assets as of August 31, 2021, as reported (1)	$ 1,859,445	$ 2,860,604	$ 848,684	$ 5,568,733
Adjustments	1,281,873	(1,295,944)	14,071	—
Net assets as of August 31, 2021, as adjusted (1)	**$ 3,141,318**	**$ 1,564,660**	**$ 862,755**	**$ 5,568,733**

(1) We do not allocate total assets by reportable segment. Reportable segment assets directly attributable to a reportable segment and provided to the chief operating decision makers include receivables and current and non-current contract assets, deferred contract costs and current and non-current deferred revenues.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with our Consolidated Financial Statements and related Notes included elsewhere in this Quarterly Report on Form 10-Q and in our Annual Report on Form 10-K for the year ended August 31, 2021, and with the information under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended August 31, 2021.

We use the terms "Accenture," "we," "our" and "us" in this report to refer to Accenture plc and its subsidiaries. All references to years, unless otherwise noted, refer to our fiscal year, which ends on August 31. For example, a reference to "fiscal 2022" means the 12-month period that will end on August 31, 2022. All references to quarters, unless otherwise noted, refer to the quarters of our fiscal year.

We use the term "in local currency" so that certain financial results may be viewed without the impact of foreign currency exchange rate fluctuations, thereby facilitating period-to-period comparisons of business performance. Financial results "in local currency" are calculated by restating current period activity into U.S. dollars using the comparable prior year period's foreign currency exchange rates. This approach is used for all results where the functional currency is not the U.S. dollar.

Disclosure Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act") relating to our operations, results of operations and other matters that are based on our current expectations, estimates, assumptions and projections. Words such as "may," "will," "should," "likely," "anticipates," "expects," "intends," "plans," "projects," "believes," "estimates," "positioned," "outlook" and similar expressions are used to identify these forward-looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. Actual outcomes and results may differ materially from what is expressed or forecast in these forward-looking statements. Risks, uncertainties and other factors that might cause such differences, some of which could be material, include but are not limited to those identified below.

Business Risks

- Our results of operations have been, and may in the future be, adversely affected by volatile, negative or uncertain economic and political conditions, including the invasion of Ukraine by Russia, the related sanctions and other measures that have been and continue to be imposed in response to the conflict, as well as the current inflationary environment, and the effects of these conditions on our clients' businesses and levels of business activity.
- We face legal, reputational and financial risks from any failure to protect client and/or Accenture data from security incidents or cyberattacks.
- Our business depends on generating and maintaining ongoing, profitable client demand for our services and solutions, including through the adaptation and expansion of our services and solutions in response to ongoing changes in technology and offerings, and a significant reduction in such demand or an inability to respond to the evolving technological environment could materially affect our results of operations.
- If we are unable to match people and skills with client demand around the world and attract and retain professionals with strong leadership skills, our business, the utilization rate of our professionals and our results of operations may be materially adversely affected.
- The COVID-19 pandemic has impacted our business and operations, and the extent to which it will continue to do so and its impact on our future financial results are uncertain.
- The markets in which we operate are highly competitive, and we might not be able to compete effectively.
- Our ability to attract and retain business and employees may depend on our reputation in the marketplace.
- If we do not successfully manage and develop our relationships with key alliance partners or if we fail to anticipate and establish new alliances in new technologies, our results of operations could be adversely affected.

Financial Risks

- Our profitability could materially suffer if we are unable to obtain favorable pricing for our services and solutions, if we are unable to remain competitive, if our cost-management strategies are unsuccessful or if we experience delivery inefficiencies or fail to satisfy certain agreed-upon targets or specific service levels.
- Changes in our level of taxes, as well as audits, investigations and tax proceedings, or changes in tax laws or in their interpretation or enforcement, could have a material adverse effect on our effective tax rate, results of operations, cash flows and financial condition.
- Our results of operations could be materially adversely affected by fluctuations in foreign currency exchange rates.
- Changes to accounting standards or in the estimates and assumptions we make in connection with the preparation of our consolidated financial statements could adversely affect our financial results.
- We might be unable to access additional capital on favorable terms or at all. If we raise equity capital, it may dilute our shareholders' ownership interest in us.

Operational Risks

- As a result of our geographically diverse operations and our growth strategy to continue to expand in our key markets around the world, we are more susceptible to certain risks.
- If we are unable to manage the organizational challenges associated with our size, we might be unable to achieve our business objectives.
- We might not be successful at acquiring, investing in or integrating businesses, entering into joint ventures or divesting businesses.

Legal and Regulatory Risks

- Our business could be materially adversely affected if we incur legal liability.
- Our global operations expose us to numerous and sometimes conflicting legal and regulatory requirements, and violation of these regulations could harm our business.
- Our work with government clients exposes us to additional risks inherent in the government contracting environment.
- If we are unable to protect or enforce our intellectual property rights, or if our services or solutions infringe upon the intellectual property rights of others or we lose our ability to utilize the intellectual property of others, our business could be adversely affected.
- Our results of operations and share price could be adversely affected if we are unable to maintain effective internal controls.
- We are incorporated in Ireland and Irish law differs from the laws in effect in the United States and might afford less protection to our shareholders. We may also be subject to criticism and negative publicity related to our incorporation in Ireland.

For a more detailed discussion of these factors, see the information under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended August 31, 2021. Our forward-looking statements speak only as of the date of this report or as of the date they are made, and we undertake no obligation to update any forward-looking statements.

Overview

Accenture plc is a leading global professional services company, providing a broad range of services in Strategy and Consulting, Technology, Operations and Accenture Song (formerly Accenture Interactive). We serve clients in three geographic markets: North America, Europe and Growth Markets (Asia Pacific, Latin America, Africa and the Middle East). We help our clients build their digital core, transform their operations, and accelerate revenue growth—creating tangible value across their enterprises at speed and scale.

Our results of operations are affected by economic conditions, including macroeconomic conditions, levels of business confidence and the overall inflationary environment. The invasion of Ukraine by Russia and the sanctions and other measures that have been and continue to be imposed in response to this conflict have increased the level of economic and political uncertainty. During the third quarter of fiscal 2022, we disposed of our business in Russia and recorded a non-operating loss of $96 million. We do not have a business in Ukraine or Belarus. While we have not experienced a material impact on our results of operations to date as a result of the conflict, a significant expansion of economic disruption or escalation of the conflict could have a material adverse effect on our results of operations. For a more complete discussion of the risks we encounter in our business, please refer to Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended August 31, 2021.

Summary of Results

We saw very strong demand across our business in the third quarter of fiscal 2022 as our clients continue their digital transformations. Key metrics for the third quarter of fiscal 2022 compared to the third quarter of fiscal 2021 included:

- **Revenues of $16.2 billion,** representing 22% growth in U.S. dollars and 27% growth in local currency;
- **New bookings of $17.0 billion,** an increase of 10% in U.S. dollars and 15% in local currency;
- **Operating margin of 16.1%,** a 10 basis point expansion;
- **Diluted earnings per share of $2.79,** an increase of 16% over $2.40 for the third quarter of fiscal 2021, including a $0.15 per share or 6% negative impact from the disposition of our business in Russia; and
- **Cash returned to shareholders of $5.4 billion,** including share purchases of $3.5 billion and dividends of $1.8 billion.

Revenues for the third quarter of fiscal 2022 increased 22% in U.S. dollars and 27% in local currency compared to the third quarter of fiscal 2021. Revenues for the nine months ended May 31, 2022 increased 24% in U.S. dollars and 27% in local currency compared to the nine months ended May 31, 2021. During the third quarter of fiscal 2022, revenue growth in local currency was very strong across all geographic markets, industry groups and types of work. While the business environment remained competitive, pricing improved across our business. We use the term "pricing" to mean the contract profitability or margin on the work that we sell.

In our consulting business, revenues for the third quarter of fiscal 2022 increased 24% in U.S. dollars and 30% in local currency compared to the third quarter of fiscal 2021. Consulting revenues for the nine months ended May 31, 2022 increased 29% in U.S. dollars and 32% in local currency compared to the nine months ended May 31, 2021. Consulting revenue in local currency for the third quarter of fiscal 2022 was driven by very strong growth in Europe, Growth Markets and North America. Our consulting revenue continues to be driven by helping our clients accelerate their digital transformation, including moving to the cloud, embedding security across the enterprise and adopting new technologies. In addition, clients continue to be focused on initiatives designed to deliver cost savings and operational efficiency, as well as projects to accelerate growth and improve customer experiences.

In our outsourcing business, which we also refer to as our managed services business, revenues for the third quarter of fiscal 2022 increased 19% in U.S. dollars and 23% in local currency compared to the third quarter of fiscal 2021. Outsourcing revenues for the nine months ended May 31, 2022 increased 20% in U.S. dollars and 22% in local currency compared to the nine months ended May 31, 2021. Outsourcing revenue in local currency for the third quarter of fiscal 2022 was driven by very strong growth in Growth Markets, Europe and North America. We continue to experience growing demand to assist clients with application modernization and maintenance, cloud enablement and managed security services. In addition, clients continue to be focused on transforming their operations through data and analytics, automation and artificial intelligence to drive productivity and operational cost savings.

As we are a global company, our revenues are denominated in multiple currencies and may be significantly affected by currency exchange rate fluctuations. While a significant portion of our revenues are in U.S. dollars, the majority of our revenues are denominated in other currencies, including the Euro, Japanese yen and U.K. pound. There continues to be volatility in foreign currency exchange rates. Unfavorable fluctuations in foreign currency exchange rates have had and could in the future have a material effect on our financial results. If the U.S. dollar weakens against other currencies, resulting in favorable currency translation, our revenues, revenue growth and results of operations in U.S. dollars may be higher. If the U.S. dollar strengthens against other currencies, resulting in unfavorable currency translation, our revenues, revenue growth and results of operations in

U.S. dollars may be lower. The U.S. dollar strengthened against various currencies during the three and nine months ended May 31, 2022 compared to the three and nine months ended May 31, 2021, resulting in unfavorable currency translation and U.S. dollar revenue growth that was approximately 5% and 3% lower, respectively, than our revenue growth in local currency. Assuming that exchange rates stay within recent ranges for the remainder of fiscal 2022, we estimate that our full fiscal 2022 revenue growth in U.S. dollars will be approximately 4.5% lower than our revenue growth in local currency.

Utilization for the third quarter of fiscal 2022 was 91%, down from 93% in the third quarter of fiscal 2021. We hire to meet current and projected future demand. We proactively plan and manage the size and composition of our workforce and take actions as needed to address changes in the anticipated demand for our services and solutions, given that compensation costs are the most significant portion of our operating expenses. Our workforce, the majority of which serves our clients, increased to approximately 710,000 as of May 31, 2022, compared to approximately 569,000 as of May 31, 2021. The year-over-year increase in our workforce reflects an overall increase in demand for our services and solutions, as well as people added in connection with acquisitions.

Annualized attrition, excluding involuntary terminations, for the third quarter of fiscal 2022 was 20%, compared to 17% in the third quarter of fiscal 2021. We evaluate voluntary attrition, adjust levels of new hiring and use involuntary terminations as a means to match people and skills with client demand.

In addition, we adjust compensation in order to attract and retain appropriate numbers of qualified employees. For the majority of our personnel, compensation increases become effective December 1st of each fiscal year. Given the overall inflationary environment, compensation is increasing faster than in prior years. We are increasing our pricing, changing the mix of people and utilizing technology to reduce the impact of these compensation increases on our margin; however, the impact of these actions is lagging the impact of the compensation increases.

Our ability to grow our revenues and maintain or increase our margin could be adversely affected if we are unable to: match people and skills with the types or amounts of services and solutions clients are demanding; recover increases in compensation; deploy our employees globally on a timely basis; manage attrition; and/or effectively assimilate new employees.

The primary categories of operating expenses include Cost of services, Sales and marketing and General and administrative costs. Cost of services is primarily driven by the cost of people serving our clients, which consists mainly of compensation, subcontractor and other payroll costs, and non-payroll costs on outsourcing contracts. Cost of services includes a variety of activities such as: contract delivery; recruiting and training; software development; and integration of acquisitions. Sales and marketing costs are driven primarily by: compensation costs for business development activities; marketing- and advertising-related activities; and certain acquisition-related costs. General and administrative costs primarily include costs for people that are non-client-facing, information systems, office space and certain acquisition-related costs.

Gross margin (Revenues less Cost of services as a percentage of Revenues) for the third quarter of fiscal 2022 was 32.9%, compared with 33.2% for the third quarter of fiscal 2021. Gross margin for the nine months ended May 31, 2022 was 32.0% compared with 32.1% for the nine months ended May 31, 2021. The decrease in gross margin for the three and nine months ended May 31, 2022 was due to higher labor costs, including increased compensation and subcontractor costs, partially offset by a decrease in non-payroll costs.

Sales and marketing and General and administrative costs as a percentage of revenues were 16.8% for the third quarter of fiscal 2022 and 16.6% for the nine months ended May 31, 2022, compared with 17.2% for the third quarter of fiscal 2021 and 16.8% for the nine months ended May 31, 2021. For the third quarter compared to the same period in fiscal 2021, Sales and marketing costs decreased 30 basis points primarily due to a decrease in non-payroll costs, including lower advertising costs, partially offset by higher business development costs as a percentage of revenues. For the nine months ended May 31, 2022 compared to the same period in fiscal 2021, Sales and marketing costs decreased 40 basis points primarily due to lower selling and advertising costs as a percentage of revenues. For the third quarter, compared to the same period in fiscal 2021, General and administrative costs decreased 10 basis points as a percentage of revenues. For the nine months ended May 31, 2022, compared to the same period in fiscal 2021, General and administrative costs increased 20 basis points as a percentage of revenues.

Operating margin (Operating income as a percentage of Revenues) for the third quarter of fiscal 2022 was 16.1%, compared with 16.0% for the third quarter of fiscal 2021. Operating margin for the nine months ended May 31, 2022 was 15.4%, compared with 15.3% for the nine months ended May 31, 2021.

During the nine months ended May 31, 2021, we recorded gains of $271 million and related tax expense of $41 million related to our investment in Duck Creek Technologies. For additional information, see Note 1 (Basis of Presentation) to our Consolidated Financial Statements under Item 1, “Financial Statements.”

The effective tax rates for the third quarter of fiscal 2022 and 2021 were 27.1% and 25.0%, respectively. The effective tax rate for the nine months ended May 31, 2022 was 23.8%, compared with 22.1% for the nine months ended May 31, 2021. Absent the investment gains and related tax expense, our effective tax rate for the nine months ended May 31, 2021 would have been 22.4%.

Diluted earnings per share were $2.79 for the third quarter of fiscal 2022, compared with $2.40 for the third quarter of fiscal 2021. Diluted earnings per share were $8.11 for the nine months ended May 31, 2022, compared with $6.96 for the nine months ended May 31, 2021. The $230 million investment gains, net of taxes, increased diluted earnings per share by $0.36 during the nine months ended May 31, 2021. Excluding the impact of these gains, diluted earnings per share would have been $6.60 for the nine months ended May 31, 2021.

We have presented our effective tax rate and diluted earnings per share for the nine months ended May 31, 2021, excluding the impact of the investment gains, as we believe doing so facilitates understanding as to the impact of these items and our performance in comparison to the prior period.

New Bookings

New bookings for the third quarter of fiscal 2022 were $17.0 billion, with consulting bookings of $9.1 billion and outsourcing bookings of $7.8 billion. New bookings for the nine months ended May 31, 2022 were $53.3 billion, with consulting bookings of $29.4 billion and outsourcing bookings of $23.9 billion. New bookings for the third quarter of fiscal 2021 were $15.4 billion, with consulting bookings of $8.0 billion and outsourcing bookings of $7.4 billion. New bookings for the nine months ended May 31, 2021 were $44.3 billion, with consulting bookings of $22.7 billion and outsourcing bookings of $21.6 billion.

Results of Operations for the Three Months Ended May 31, 2022 Compared to the Three Months Ended May 31, 2021

Revenues by geographic market, industry group and type of work are as follows:

(in millions of U.S. dollars)	Three Months Ended May 31, 2022	Three Months Ended May 31, 2021	Percent Increase (Decrease) U.S. Dollars	Percent Increase (Decrease) Local Currency	Percent of Revenues for the Three Months Ended May 31, 2022	Percent of Revenues for the Three Months Ended May 31, 2021
GEOGRAPHIC MARKETS						
North America	$ 7,614	$ 6,200	23 %	23 %	47 %	47 %
Europe	5,350	4,452	20	30	33	34
Growth Markets	3,195	2,612	22	30	20	20
Total	**$ 16,159**	**$ 13,264**	**22 %**	**27 %**	**100 %**	**100 %**
INDUSTRY GROUPS						
Communications, Media & Technology	$ 3,427	$ 2,704	27 %	31 %	21 %	20 %
Financial Services	3,079	2,598	19	24	19	20
Health & Public Service	2,917	2,520	16	19	18	19
Products	4,601	3,674	25	31	28	28
Resources	2,134	1,768	21	26	13	13
Total	**$ 16,159**	**$ 13,264**	**22 %**	**27 %**	**100 %**	**100 %**
TYPE OF WORK						
Consulting	$ 9,032	$ 7,260	24 %	30 %	56 %	55 %
Outsourcing	7,126	6,003	19	23	44	45
Total	**$ 16,159**	**$ 13,264**	**22 %**	**27 %**	**100 %**	**100 %**

Amounts in table may not total due to rounding.

Revenues

The following revenues commentary discusses local currency revenue changes for the third quarter of fiscal 2022 compared to the third quarter of fiscal 2021:

Geographic Markets

- North America revenues increased 23% in local currency, led by growth in Consumer Goods, Retail & Travel Services, Public Service, Software & Platforms and Communications & Media. Revenue growth was driven by the United States.
- Europe revenues increased 30% in local currency, led by growth in Industrial, Consumer Goods, Retail & Travel Services and Banking & Capital Markets. Revenue growth was driven by Germany, the United Kingdom, France and Italy.
- Growth Markets revenues increased 30% in local currency, led by growth in Consumer Goods, Retail & Travel Services, Banking & Capital Markets and Public Service. Revenue growth was driven by Japan and Australia.

Operating Expenses

Operating expenses for the third quarter of fiscal 2022 increased $2,411 million, or 22%, over the third quarter of fiscal 2021, and decreased as a percentage of revenues to 83.9% from 84.0% during this period.

Operating expenses by category are as follows:

(in millions of U.S. dollars)	Three Months Ended May 31, 2022		Three Months Ended May 31, 2021		Increase (Decrease)
Operating Expenses	**$ 13,556**	**83.9 %**	**$ 11,145**	**84.0 %**	**$ 2,411**
Cost of services	10,844	67.1	8,859	66.8	1,985
Sales and marketing	1,661	10.3	1,407	10.6	254
General and administrative costs	1,051	6.5	879	6.6	172

Cost of Services

Cost of services for the third quarter of fiscal 2022 increased $1,985 million, or 22%, over the third quarter of fiscal 2021, and increased as a percentage of revenues to 67.1% over 66.8% during this period. Gross margin for the third quarter of fiscal 2022 decreased to 32.9% from 33.2% during the third quarter of fiscal 2021. The decrease in gross margin was due to higher labor costs, including increased compensation and subcontractor costs, partially offset by a decrease in non-payroll costs compared to the same period in fiscal 2021.

Sales and Marketing

Sales and marketing expense for the third quarter of fiscal 2022 increased $254 million, or 18%, over the third quarter of fiscal 2021, and decreased as a percentage of revenues to 10.3% from 10.6% during this period primarily due to a decrease in non-payroll costs, including lower advertising costs, partially offset by higher business development costs.

General and Administrative Costs

General and administrative costs for the third quarter of fiscal 2022 increased $172 million, or 20%, over the third quarter of fiscal 2021, and decreased as a percentage of revenues to 6.5% from 6.6% during this period.

Operating Income and Operating Margin

Operating income for the third quarter of fiscal 2022 increased $484 million, or 23%, over the third quarter of fiscal 2021. Operating margin for the third quarter of fiscal 2022 was 16.1%, compared with 16.0% for the third quarter of fiscal 2021.

Operating income and operating margin for each of the geographic markets are as follows:

	Three Months Ended				
	May 31, 2022		May 31, 2021		
(in millions of U.S. dollars)	Operating Income	Operating Margin	Operating Income	Operating Margin	Increase (Decrease)
North America	$ 1,380	18 %	$ 1,128	18 %	$ 251
Europe	694	13	608	14	86
Growth Markets	530	17	382	15	147
Total	**$ 2,603**	**16.1 %**	**$ 2,119**	**16.0 %**	**$ 484**

Amounts in table may not total due to rounding.

We estimate that the aggregate percentage impact of foreign currency exchange rates on our operating income during the third quarter of fiscal 2022 was similar to that disclosed for revenue for each geographic market. The commentary below provides insight into other factors affecting geographic market performance and operating income for the third quarter of fiscal 2022 compared with the third quarter of fiscal 2021:

- North America operating income increased primarily due to revenue growth, partially offset by lower contract profitability and higher selling and other business development costs as a percentage of revenues.
- Europe operating income increased primarily due to revenue growth, partially offset by lower contract profitability and higher acquisition-related costs.
- Growth Markets operating income increased primarily due to revenue growth, partially offset by lower outsourcing contract profitability.

Loss on Disposition of Russia Business

We recorded a loss from the disposal of our business in Russia of $96 million during the third quarter of fiscal 2022.

Income Tax Expense

The effective tax rates for the third quarter of fiscal 2022 and 2021 were 27.1% and 25.0%, respectively. The higher effective tax rate for the third quarter of fiscal 2022 was primarily due to tax expense from changes in the geographic distribution of earnings.

Earnings Per Share

Diluted earnings per share were $2.79 for the third quarter of fiscal 2022, compared with $2.40 for the third quarter of fiscal 2021. For information regarding our earnings per share calculations, see Note 3 (Earnings Per Share) to our Consolidated Financial Statements under Item 1, "Financial Statements."

The increase in diluted earnings per share is due to the following factors:

		Earnings Per Share
Q3 FY21 As Reported	**$**	**2.40**
Higher revenue and operating results		0.56
Lower share count		0.02
Lower non-operating expense (excluding loss on disposition of Russia business)		0.01
Higher net income attributable to noncontrolling interests		(0.01)
Higher effective tax rate (excluding loss on disposition of Russia business)		(0.04)
Loss on disposition of Russia business		(0.15)
Q3 FY22 As Reported	**$**	**2.79**

Results of Operations for the Nine Months Ended May 31, 2022 Compared to the Nine Months Ended May 31, 2021

Revenues by geographic market, industry group and type of work are as follows:

(in millions of U.S. dollars)	Nine Months Ended May 31, 2022	Nine Months Ended May 31, 2021	Percent Increase (Decrease) U.S. Dollars	Percent Increase (Decrease) Local Currency	Percent of Revenues for the Nine Months Ended May 31, 2022	Percent of Revenues for the Nine Months Ended May 31, 2021
GEOGRAPHIC MARKETS						
North America	$ 21,598	$ 17,313	25 %	25 %	47 %	47 %
Europe	15,460	12,450	24	30	33	34
Growth Markets	9,112	7,352	24	30	20	20
Total	**$ 46,171**	**$ 37,114**	**24 %**	**27 %**	**100 %**	**100 %**
INDUSTRY GROUPS						
Communications, Media & Technology	$ 9,704	$ 7,518	29 %	32 %	21 %	20 %
Financial Services	8,869	7,321	21	25	19	20
Health & Public Service	8,334	6,993	19	21	18	19
Products	13,212	10,221	29	33	29	28
Resources	6,052	5,060	20	23	13	14
Total	**$ 46,171**	**$ 37,114**	**24 %**	**27 %**	**100 %**	**100 %**
TYPE OF WORK						
Consulting	$ 25,747	$ 20,032	29 %	32 %	56 %	54 %
Outsourcing	20,424	17,082	20	22	44	46
Total	**$ 46,171**	**$ 37,114**	**24 %**	**27 %**	**100 %**	**100 %**

Amounts in table may not total due to rounding.

Revenues

The following revenues commentary discusses local currency revenue changes for the nine months ended May 31, 2022 compared to the nine months ended May 31, 2021:

Geographic Markets

- North America revenues increased 25% in local currency, led by growth in Consumer Goods, Retail & Travel Services, Software & Platforms and Public Service. Revenue growth was driven by the United States.
- Europe revenues increased 30% in local currency, led by growth in Consumer Goods, Retail & Travel Services, Industrial and Banking & Capital Markets. Revenue growth was driven by Germany, the United Kingdom, France and Italy.
- Growth Markets revenues increased 30% in local currency, led by growth in Consumer Goods, Retail & Travel Services, Banking & Capital Markets and Public Service. Revenue growth was driven by Japan, Australia and Brazil.

Operating Expenses

Operating expenses for the nine months ended May 31, 2022 increased $7,620 million, or 24%, over the nine months ended May 31, 2021, and decreased as a percentage of revenues to 84.6% from 84.7% during this period.

Operating expenses by category are as follows:

(in millions of U.S. dollars)	Nine Months Ended May 31, 2022		Nine Months Ended May 31, 2021		Increase (Decrease)
Operating Expenses	**$ 39,072**	**84.6 %**	**$ 31,451**	**84.7 %**	**$ 7,620**
Cost of services	31,415	68.0	25,216	67.9	6,199
Sales and marketing	4,530	9.8	3,773	10.2	757
General and administrative costs	3,126	6.8	2,462	6.6	665

Amounts in table may not total due to rounding.

Cost of Services

Cost of services for the nine months ended May 31, 2022 increased $6,199 million, or 25%, over the nine months ended May 31, 2021, and increased as a percentage of revenues to 68.0% over 67.9% during this period. Gross margin for the nine months ended May 31, 2022 decreased to 32.0% from 32.1% during the nine months ended May 31, 2021. The decrease in gross margin was due to higher labor costs, including increased compensation and subcontractor costs, partially offset by a decrease in non-payroll costs compared to the same period in fiscal 2021.

Sales and Marketing

Sales and marketing expense for the nine months ended May 31, 2022 increased $757 million, or 20%, over the nine months ended May 31, 2021, and decreased as a percentage of revenues to 9.8% from 10.2% during this period. The decrease was primarily due to lower selling and advertising costs compared to the same period in fiscal 2021.

General and Administrative Costs

General and administrative costs for the nine months ended May 31, 2022 increased $665 million, or 27%, over the nine months ended May 31, 2021, and increased as a percentage of revenues to 6.8% over 6.6% during this period.

Operating Income and Operating Margin

Operating income for the nine months ended May 31, 2022 increased $1,436 million, or 25%, over the nine months ended May 31, 2021. Operating margin for the nine months ended May 31, 2022 was 15.4%, compared with 15.3% for the nine months ended May 31, 2021.

Operating income and operating margin for each of the geographic markets are as follows:

	Nine Months Ended				
	May 31, 2022		May 31, 2021		
(in millions of U.S. dollars)	Operating Income	Operating Margin	Operating Income	Operating Margin	Increase (Decrease)
North America	$ 3,715	17 %	$ 2,789	16 %	$ 926
Europe	1,970	13	1,740	14	230
Growth Markets	1,414	16	1,133	15	281
TOTAL	**$ 7,099**	**15.4 %**	**$ 5,663**	**15.3 %**	**$ 1,436**

Amounts in table may not total due to rounding.

We estimate that the aggregate percentage impact of foreign currency exchange rates on our operating income during the nine months ended May 31, 2022 was similar to that disclosed for revenue for each geographic market. The commentary below provides insight into other factors affecting geographic market performance and operating income for the nine months ended May 31, 2022 compared with the nine months ended May 31, 2021.

- North America operating income increased primarily due to revenue growth, partially offset by lower contract profitability.
- Europe operating income increased primarily due to revenue growth, partially offset by lower contract profitability and higher acquisition-related costs.
- Growth Markets operating income increased primarily due to revenue growth, partially offset by lower contract profitability.

Other Income (Expense), net

Other income (expense), net primarily consists of foreign currency gains and losses, non-operating components of pension expense, as well as gains and losses associated with our investments. During the nine months ended May 31, 2022, other income (expense), net decreased $242 million from the nine months ended May 31, 2021, primarily due to lower gains on investments. For additional information, see Note 1 (Basis of Presentation) to our Consolidated Financial Statements under Item 1, “Financial Statements.”

Loss on Disposition of Russia Business

We recorded a loss from the disposal of our business in Russia of $96 million during the nine months ended May 31, 2022.

Income Tax Expense

The effective tax rate for the nine months ended May 31, 2022 was 23.8%, compared with 22.1% for the nine months ended May 31, 2021. Absent the $271 million investment gains and related $41 million in tax expense, our effective tax rate for the nine months ended May 31, 2021 would have been 22.4%. The higher effective tax rate for the nine months ended May 31, 2022 was primarily due to tax expense from changes in the geographic distribution of earnings, partially offset by higher tax benefits from share-based payments.

Our provision for income taxes is based on many factors and subject to volatility year to year. We expect the fiscal 2022 annual effective tax rate to be in the range of 23.5% to 24.5%. The effective tax rate for interim periods can vary because of the timing of when certain events occur during the year.

Earnings Per Share

Diluted earnings per share were $8.11 for the nine months ended May 31, 2022, compared with $6.96 for the nine months ended May 31, 2021. The $230 million investment gains, net of taxes, increased diluted earnings per share by $0.36 during the nine months ended May 31, 2021. Excluding the impact of these gains, diluted earnings per share would have been $6.60 for the nine months ended May 31, 2021. For information regarding our earnings per share calculations, see Note 3 (Earnings Per Share) to our Consolidated Financial Statements under Item 1, "Financial Statements."

The increase in diluted earnings per share is due to the following factors:

		Earnings Per Share
FY21 As Reported	**$**	**6.96**
Higher revenue and operating results		1.73
Lower non-operating expense (excluding loss on disposition of Russia business)		0.05
Lower share count		0.03
Higher net income attributable to noncontrolling interests		(0.03)
Higher effective tax rate (excluding loss on disposition of Russia business)		(0.12)
Loss on disposition of Russia business		(0.15)
Lower gains on an investment, net of tax		(0.36)
FY22 As Reported	**$**	**8.11**

Liquidity and Capital Resources

As of May 31, 2022, Cash and cash equivalents was $6.7 billion, compared with $8.2 billion as of August 31, 2021.

Cash flows from operating, investing and financing activities, as reflected in our Consolidated Cash Flows Statements, are summarized in the following table:

	Nine Months Ended		
(in millions of U.S. dollars)	**May 31, 2022**	**May 31, 2021**	**Change**
Net cash provided by (used in):			
Operating activities	$ 5,751	$ 6,539	$ (788)
Investing activities	(2,852)	(1,458)	(1,394)
Financing activities	(4,210)	(3,559)	(651)
Effect of exchange rate changes on cash and cash equivalents	(154)	72	(226)
Net increase (decrease) in cash and cash equivalents	**$ (1,465)**	**$ 1,594**	**$ (3,059)**

Operating activities: The $788 million decrease in operating cash flows was primarily due to changes in operating assets and liabilities, including receivables from clients and contract assets, partially offset by higher net income.

Investing activities: The $1,394 million increase in cash used was primarily due to higher spending on business acquisitions, lower proceeds from the sale of businesses and investments, and higher spending on purchases of property and equipment. For additional information, see Note 5 (Business Combinations and Dispositions) to our Consolidated Financial Statements under Item 1, "Financial Statements."

Financing activities: The $651 million increase in cash used was primarily due to an increase in the net purchases of shares as well as an increase in cash dividends paid, partially offset by an increase in net proceeds from share issuances. For additional information, see Note 7 (Shareholders' Equity) to our Consolidated Financial Statements under Item 1, "Financial Statements."

We believe that our current and longer-term working capital, investments and other general corporate funding requirements will be satisfied for the next twelve months and thereafter through cash flows from operations and, to the extent necessary, from our borrowing facilities and future financial market activities.

Substantially all of our cash is held in jurisdictions where there are no regulatory restrictions or material tax effects on the free flow of funds. Domestic cash inflows for our Irish parent, principally dividend distributions from lower-tier subsidiaries, have been sufficient to meet our historic cash requirements, and we expect this to continue into the future.

Borrowing Facilities

As of May 31, 2022, we had the following borrowing facilities, including the issuance of letters of credit, to support general working capital purposes:

(in millions of U.S. dollars)	**Facility Amount**	**Borrowings Under Facilities**
Syndicated loan facility	$ 3,000	$ —
Separate, uncommitted, unsecured multicurrency revolving credit facilities	1,546	—
Local guaranteed and non-guaranteed lines of credit	238	—
Total	**$ 4,784**	**$ —**

Under the borrowing facilities described above, we had an aggregate of $885 million of letters of credit outstanding as of May 31, 2022. We have a short-term commercial paper financing program backed by our $3 billion syndicated credit facility. As of May 31, 2022, we had no commercial paper outstanding.

Share Purchases and Redemptions

The Board of Directors of Accenture plc has authorized funding for our publicly announced open-market share purchase program for acquiring Accenture plc Class A ordinary shares and for purchases and redemptions of Accenture plc Class A ordinary shares and Accenture Canada Holdings Inc. exchangeable shares held by current and former members of Accenture Leadership and their permitted transferees.

Our share purchase activity during the nine months ended May 31, 2022 is as follows:

	Accenture plc Class A Ordinary Shares		Accenture Canada Holdings Inc. Exchangeable Shares	
(in millions of U.S. dollars, except share amounts)	**Shares**	**Amount**	**Shares**	**Amount**
Open-market share purchases (1)	7,671,139	$ 2,576	—	$ —
Other share purchase programs	—	—	11,318	4
Other purchases (2)	2,447,915	931	—	—
Total	**10,119,054**	**$ 3,507**	**11,318**	**$ 4**

(1) We conduct a publicly announced open-market share purchase program for Accenture plc Class A ordinary shares. These shares are held as treasury shares by Accenture plc and may be utilized to provide for select employee benefits, such as equity awards to our employees.

(2) During the nine months ended May 31, 2022, as authorized under our various employee equity share plans, we acquired Accenture plc Class A ordinary shares primarily via share withholding for payroll tax obligations due from employees and former employees in connection with the delivery of Accenture plc Class A ordinary shares under those plans. These purchases of shares in connection with employee share plans do not affect our aggregate available authorization for our publicly announced open-market share purchase and the other share purchase programs.

We intend to continue to use a significant portion of cash generated from operations for share repurchases during the remainder of fiscal 2022. The number of shares ultimately repurchased under our open-market share purchase program may vary depending on numerous factors, including, without limitation, share price and other market conditions, our ongoing capital allocation planning, the levels of cash and debt balances, other demands for cash, such as acquisition activity, general economic and/or business conditions, and board and management discretion. Additionally, as these factors may change over the course of the year, the amount of share repurchase activity during any particular period cannot be predicted and may fluctuate from time to time. Share repurchases may be made from time to time through open-market purchases, in respect of purchases and redemptions of Accenture Canada Holdings Inc. exchangeable shares, through the use of Rule 10b5-1 plans and/or by other means. The repurchase program may be accelerated, suspended, delayed or discontinued at any time, without notice.

Off-Balance Sheet Arrangements

In the normal course of business and in conjunction with some client engagements, we have entered into contractual arrangements through which we may be obligated to indemnify clients with respect to certain matters.

To date, we have not been required to make any significant payment under any of the arrangements described above. For further discussion of these transactions, see Note 10 (Commitments and Contingencies) to our Consolidated Financial Statements under Item 1, "Financial Statements."

Significant Accounting Policies

See Note 1 (Basis of Presentation) to our Consolidated Financial Statements under Item 1, "Financial Statements."

Item 3. Quantitative and Qualitative Disclosures About Market Risk

During the nine months ended May 31, 2022, there were no material changes to the information on market risk exposure disclosed in our Annual Report on Form 10-K for the year ended August 31, 2021. For a discussion of our market risk associated with foreign currency risk, interest rate risk and equity price risk as of August 31, 2021, see "Quantitative and Qualitative Disclosures About Market Risk" in Part II, Item 7A, of our Annual Report on Form 10-K for the year ended August 31, 2021.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and our principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of the end of the period covered by this report. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. Based on that evaluation, the principal executive officer and the principal financial officer of Accenture plc have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There has been no change in our internal control over financial reporting that occurred during the third quarter of fiscal 2022 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Part II — Other Information

Item 1. Legal Proceedings

The information set forth under “Legal Contingencies” in Note 10 (Commitments and Contingencies) to our Consolidated Financial Statements under Part I, Item 1, “Financial Statements,” is incorporated herein by reference.

Item 1A. Risk Factors

For a discussion of our potential risks and uncertainties, see the information under the heading “Risk Factors” in our Annual Report on Form 10-K for the year ended August 31, 2021 (the “Annual Report”). There have been no material changes to the risk factors disclosed in our Annual Report.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchases of Accenture plc Class A Ordinary Shares

The following table provides information relating to our purchases of Accenture plc Class A ordinary shares during the third quarter of fiscal 2022.

Period	Total Number of Shares Purchased	Average Price Paid per Share (1)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (3)
				(in millions of U.S. dollars)
March 1, 2022 — March 31, 2022	1,512,082	$ 317.96	1,470,022	$ 4,140
April 1, 2022 — April 30, 2022	800,416	326.67	751,800	3,895
May 1, 2022 — May 31, 2022	789,267	291.30	655,454	3,706
Total (4)	**3,101,765**	**$ 313.43**	**2,877,276**	

(1) Average price paid per share reflects the total cash outlay for the period, divided by the number of shares acquired, including those acquired by purchase or redemption for cash and any acquired by means of employee forfeiture.

(2) Since August 2001, the Board of Directors of Accenture plc has authorized and periodically confirmed a publicly announced open-market share purchase program for acquiring Accenture plc Class A ordinary shares. During the third quarter of fiscal 2022, we purchased 2,877,276 Accenture plc Class A ordinary shares under this program for an aggregate price of $902 million. The open-market purchase program does not have an expiration date.

(3) As of May 31, 2022, our aggregate available authorization for share purchases and redemptions was $3,706 million which management has the discretion to use for either our publicly announced open-market share purchase program or the other share purchase programs. Since August 2001 and as of May 31, 2022, the Board of Directors of Accenture plc has authorized an aggregate of $43.1 billion for share purchases and redemptions by Accenture plc and Accenture Canada Holdings Inc.

(4) During the third quarter of fiscal 2022, Accenture purchased 224,489 Accenture plc Class A ordinary shares in transactions unrelated to publicly announced share plans or programs. These transactions consisted of acquisitions of Accenture plc Class A ordinary shares primarily via share withholding for payroll tax obligations due from employees and former employees in connection with the delivery of Accenture plc Class A ordinary shares under our various employee equity share plans. These purchases of shares in connection with employee share plans do not affect our aggregate available authorization for our publicly announced open-market share purchase and the other share purchase programs.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

(a) None.

(b) None.

Item 6. Exhibits

Exhibit Index:

Exhibit Number	Exhibit
3.1	Amended and Restated Memorandum and Articles of Association of Accenture plc (incorporated by reference to Exhibit 3.1 to Accenture plc's 8-K filed on February 7, 2018)
31.1	Certification of the Principal Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
31.2	Certification of the Principal Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
32.1	Certification of the Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith)
32.2	Certification of the Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith)
101	The following financial information from Accenture plc's Quarterly Report on Form 10-Q for the quarterly period ended May 31, 2022, formatted in Inline XBRL: (i) Consolidated Balance Sheets as of May 31, 2022 (Unaudited) and August 31, 2021, (ii) Consolidated Income Statements (Unaudited) for the three and nine months ended May 31, 2022 and May 31, 2021, (iii) Consolidated Statements of Comprehensive Income (Unaudited) for the three and nine months ended May 31, 2022 and May 31, 2021, (iv) Consolidated Shareholders' Equity Statement (Unaudited) for the three and nine months ended May 31, 2022 and May 31, 2021, (v) Consolidated Cash Flows Statements (Unaudited) for the nine months ended May 31, 2022 and May 31, 2021 and (vi) the Notes to Consolidated Financial Statements (Unaudited)
104	The cover page from Accenture plc's Quarterly Report on Form 10-Q for the quarterly period ended May 31, 2022, formatted in Inline XBRL (included as Exhibit 101)

(*) Indicates management contract or compensatory plan or arrangement.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: June 23, 2022

ACCENTURE PLC

By:	/s/ KC McClure
Name:	KC McClure
Title:	Chief Financial Officer
	(Principal Financial Officer and Authorized Signatory)

Exhibit 31.1

PRINCIPAL EXECUTIVE OFFICER CERTIFICATION

I, Julie Sweet, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Accenture plc for the period ended May 31, 2022, as filed with the Securities and Exchange Commission on the date hereof;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 23, 2022

/s/ Julie Sweet
Julie Sweet
Chief Executive Officer of Accenture plc
(principal executive officer)

Exhibit 31.2

PRINCIPAL FINANCIAL OFFICER CERTIFICATION

I, KC McClure, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Accenture plc for the period ended May 31, 2022, as filed with the Securities and Exchange Commission on the date hereof;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 23, 2022

/s/ KC McClure

KC McClure
Chief Financial Officer of Accenture plc
(principal financial officer)

Exhibit 32.1

Certification of the Principal Executive Officer
Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Accenture plc (the "Company") on Form 10-Q for the period ended May 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Julie Sweet, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 23, 2022

/s/ Julie Sweet

Julie Sweet
Chief Executive Officer of Accenture plc
(principal executive officer)

Exhibit 32.2

Certification of the Principal Financial Officer
Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Accenture plc (the "Company") on Form 10-Q for the period ended May 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, KC McClure, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 23, 2022

/s/ KC McClure
KC McClure
Chief Financial Officer of Accenture plc
(principal financial officer)