Accenture plc
Form DEFA14A
January 28, 2010

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a)

of the Securities Exchange Act of 1934

Filed by the Registrant x   Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

¨ Definitive Proxy Statement

x Definitive Additional Materials

¨ Soliciting Material Pursuant to §240.14a-12

Accenture plc

(Name of Registrant As Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

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x No fee required.

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1) Amount Previously Paid:

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Beginning on January 28, 2010, Accenture plc used the following presentation to provide additional information about the Accenture plc 2010 Share Incentive Plan proposal that will be voted on at the 2010 Annual General Meeting of Shareholders.

Accenture s Share Incentive Plan
Background to the Recommendation
of the Board of Directors
January 28, 2010

Overview

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In conjunction with Accenture s 2010 Annual General Meeting of Shareholders on February 4, the Board of Directors is recommending approval of a new Share Incentive Plan. The new Plan is a continuation of the company s current Share Incentive Plan, which expires in June 2011.

Our performance and promotion equity grants are based on individual performance

Our top people receive equity grants with performance-vesting criteria.

A small amount of equity is used for new senior hires.

Accenture s share plans are rigorously managed and critical to retaining top talent.

Overview
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For these reasons, the Board of Directors recommends approval of the Plan.

Approval of this plan will:

Ensure the retention of skilled / high-performing executives by providing a financial incentive for remaining with the company.

Instill owner-operator behaviors, primarily at the senior-executive level, motivating senior management to deliver results that support Accenture s business plan.

Provide executives with incentives for superior performance.

Accenture firmly believes that these levers are necessary to recruit and retain the best talent to maintain our competitive advantage.

Share Incentive Plan:
Primary Components
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We Use Restricted Share Units to Reward Promotion and Performance
Promotion
Equity
Awards

Eligibility limited to Accenture senior executives (~4,500 individuals).

Awards acknowledge promotion into or within the company s senior-executive ranks.

Equity vests up to seven years from grant date.

Awards provide a long-term incentive to senior executives and help align awards with shareholder interest.
Performance
Equity
Awards

Eligibility
limited

to
Accenture
senior
managers
and
senior
executives
(~15,000
individuals).

Equity given to the highest performers (the top 30% or less) at each level annually.

Equity vests over two-and-a-half years.

These awards reward top performers for driving company performance while focusing on profitable growth, client satisfaction and people satisfaction.

Award size is based upon a value set by the Compensation Committee or on company performance; historically grants have been 50-100% of maximum grant size.

Key
Executive
Performance
Share
Program
includes
criteria
for
future
performance
objectives
for
Operating Income and Total Return to Shareholders.

2010 Share Incentive Plan:
Key Highlights

Participation:
The
company
grants
equity
to
senior
managers,
senior
executives
and directors.

Expiration:
10 years

Administration:
The

Board
of
Directors
Compensation
Committee,
which
is
comprised entirely
of outside independent directors, as per NYSE regulations

Shares
Authorized:
50
million
(As
soon
as
the
2010
Plan
is
approved
by
shareholders,
any
ungranted
shares
under
the
old
plan

approx.
120M
as
of
Nov.
30,
2009

will
be
cancelled.)

Award Type:
Virtually
all
awards
are
restricted

stock
units

Share
Withholding:
Shares
used
to
satisfy
withholding
taxes
are
not
available
for
future grant
under the plan

Options:
Only an insignificant number of options are granted

Terms:
Options must be exercised within 10 years after grant date

Prohibited
without
Shareholder
Approval:
Option
re-pricing
and
reloading
of
option
rights
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2010 Share Incentive Plan:
Response to RiskMetrics
Group s Recommendations

Accenture s
2010
Share
Incentive
Plan
allows
for
both
time-
and
performance-
based
equity
grants.

All
awards
under
the
key
executive
performance
share
program
are
contingent
upon the executive meeting specific performance objectives outlined in the
award agreements.

Equity
grants
made
to

our senior executives and senior managers have historically been, and continue to be, based on the achievement of individual and company performance objectives.

All of our awards

like those of most global companies plans

contain service-period requirements.
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2010 Share Incentive Plan:
Response to RiskMetrics
Group s Recommendations

We are pleased that RiskMetrics
Group has recognized that our dilution level is
acceptable
and
does
not
disproportionately
dilute
shareholders
interests. *

RiskMetrics
Group would have Accenture attach performance conditions to the vesting of equity
awards.
Accenture already follows this approach for awards under its Key Executive Performance
Share Program.

However,
we
believe

a plan requirement that we attach future performance conditions to the vesting of all awards would be inconsistent with generally accepted practices for a global company like Accenture.

Instead, our approach is to award grants to our employees only after they have achieved performance objectives or upon hire for Senior Executives and select Senior Managers.

We also believe that RiskMetrics Group s concern that shareholders cannot assess to what extent performance criteria will be applied and whether they will be sufficiently challenging is unfounded. Our nine-year track record of successfully utilizing employee equity should reassure our shareholders of our disciplined management of the company s equity programs.

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* RiskMetrics Group Recommendations, Issued January 22, 2010

Use of Cash to Manage
Accenture s Share Count

Since its IPO in July 2001, Accenture has generated $15.4 billion* in free cash flow, returning $14.5 billion to shareholders. Of this, approximately 82% was returned through share repurchases.

On average, Accenture has repurchased 55 million shares each fiscal year since its IPO
significantly more than offsetting the number of shares the company issued to executives as compensation each fiscal year since its IPO.

Accenture is continuing its share-buyback activities. In September 2009, the Board of Directors approved $4 billion in additional share repurchase authority. Accenture has $4.5 billion* in share repurchase authority remaining.

Consistent with its historical and disciplined approach, Accenture expects that ongoing Founder-share and open-market repurchases will continue to **more** than offset
shares issued under the new Share Incentive Plan.
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* as of Nov. 30, 2009

Accenture s Ongoing
Commitment to Reducing
Shares Outstanding
Since its IPO, Accenture has reduced shares outstanding by 23%.
9
750,000,000
800,000,000
850,000,000
900,000,000
950,000,000

1,000,000,000
1,050,000,000
Aug-01
Shares Outstanding (diluted)
1,008,163,290
773,696,423
8/31/01
11/30/09

2010 Share Incentive Plan:
Implications If Not Approved
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Without approval of the new Share Incentive Plan, Accenture would be unable to use equity as part of its compensation program, as its competitors do.

Accenture would be at an extreme competitive disadvantage in attracting talent, particularly from companies that have equity programs.

Retention of executives would be severely compromised, since there would be no financial deterrent for leaving the company (i.e., executives would not have equity at risk), making Accenture talent the target of competitors.

If the company were unable to use equity for a portion of executive compensation, it would require a greater amount of cash for executive compensation, reducing the amount of cash Accenture would have available for other purposes.
For these reasons, the Board of Directors recommends approval of the Plan.