



FY27 Investor Day

Session Transcript: Our Growth Opportunity

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CORPORATE PARTICIPANTS

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Manish Sharma

Really excited to be here. I have a health warning before I start. So, I think just seeing these videos and everything else, I get very excited. And as I get excited, I'll speak even faster. So you got to kind of just say if I'm speeding too much. So I thought it would be good to kind of get that out fast. First, I think, thanks Julie, it was great to hear from our ecosystem partners and the role we play in helping companies adopt and deploy their technologies.

As you heard from Julie, there are two important elements that define our growth strategy. First, it is about growing our core. And second, is scaling our network of businesses. You also heard that we have doubled our addressable market, going from

\$1.5 trillion to \$3 trillion. And here is the math to kind of explain what we are saying here. You got the base, which was about \$1.5 trillion. We add it with 20 new growth arenas, another \$700 billion [corrected] to that. This brings to a total of \$2.2 trillion addressable market in the core. Then we add \$800 billion [corrected] for our network of businesses. In total, this makes the \$3 trillion addressable market. Now, let me talk about how do we think about executing our strategy, and I'm going to break it into three parts.

First, how we organize for growth and serve the enterprise through our reinvention partners. Second, how we grow the core. This is the vast majority, 94% of our business and is growing mid-single digit. We believe there is tremendous opportunity out there, in many ways created by AI. Third, how we scale the network of businesses. This represents 6% of our business and is growing double-digits. The network has been built through organic capabilities and acquisition focused on large fast-growing areas. I'll take a pause and kind of now go into the how do we serve the enterprise? We serve the key buyers and budget holders through our seven reinvention partners. Walsh, my friend who was the CEO of Americas, we were chatting and said, Manish, like nobody understands what a Reinvention Partner means.

And I say, reinvention partners is -- just think about them as the key budget holders, the key decision makers in any enterprise. It's as simple as that, just focused on the budget holders. And as I look across the path, it's very clear, every Reinvention Partner has a massive addressable market. We approach each of the seven areas the same. Start with the buyer and then understand the business outcome they need to achieve. These business outcomes are what clients measure to drive growth, improve performance and create resilience.

And for example, any company that we take, Chief Revenue Officer focused on revenue growth and customer loyalty. The Chief Supply Chain Officer is focused on new products and faster time-to-market. And the CIO cares about lower cost, about figuring out higher productivity, about security, about deploying AI at scale, driving our success. To our clients, business outcomes help build the kind of trust Julie referenced earlier. I always like to think about tying AI to EPS. Go away from the hype and the frenzy, it's about do I get the EPS out of the AI or not? From there, we bring the full power of Accenture, our services, industry expertise, ecosystem, assets and platforms. And we do right from strategy to implementation to operations. We serve our client end-to-end. Now let's think about any company that you know. In pharma,

in utilities, in banking, telco or any other industry, they all have finance, they all have HR, they have a digital core, they have customer cybersecurity and most have supply chain.

And next, think about the parts that are unique to an industry, unique: the core value chain. It is why our industry depth is so critical and where AI can unlock the most value. We call this partner industry and enterprise, and for example, I'll give you a few of them, right. For pharma you have R&D, utilities, there is the grid, for banking, it has got core banking and telco has network. That is the logic behind the seven reinvention partners or in quote the budget holders who are working very closely with. For all the partners, AI is expanding the opportunity. Clients can do things they've never been able to do before. This approach gives us several ways to grow deeper with an existing client, access to new buyers and budgets, or adding new clients. For example, we can start working with a client in Digital Core. Move to the talent and then on to supply chain, just kind of moving gradually. One reinvention naturally creates the opportunity for the next. This is our compounding growth model: deliver outcomes, deepen the relationship and expand into the next opportunity.

Let's look closer at how this translates into growth in our core. As I mentioned, the core is about 94% of Accenture. What's most crucial to remember about the core is that its biggest growth driver will continue to be large scale reinventions for our clients. We see

these reinventions show up in many different ways in our business. Let's look at four examples. Some illustrations which can bring to life: Digital Core, Managed Services, Enterprise AI stack and AI growth arenas.

First, Digital Core. Even after years and years of cloud and digital transformation, there is substantial work ahead to build the foundation enterprises need for the AI-era. Many of these companies are on a multi-year journey, and all will need to respond to the new tech evolution. And some of the stats which you will see here, right, modernizing ERP is only 41% complete, moving to the cloud where only 28% of workloads have actually moved.

Sovereign AI – an absolutely new thing that has emerged in the last few years as clients seek more control. We are seeing new demand in sovereign cloud, already at \$215 billion market. On modernizing the legacy technology, the hardest parts of technology as data, only starting to modernize. And I'll give an example on core banking. In July of 2026, we announced a partnership with UniCredit and IBM to modernize the mainframe that runs a bank while moving the right workloads to the cloud. And in this, I would like you to hear from Arvind, CEO of IBM on the importance of our partnership. Can we roll the video? (Audio-Video Presentation)

It's always good to hear from our partners because it kind of just tells you how we are uniquely leveraging our partnerships in different ways.

Now I want to move to the next section which is around the managed services. Just to remind you, I'm still in the core. So that is my second section of the core which we are talking about. I've been with the firm for -- this is my 32nd year, and I've been in almost every single part of Accenture's business over the last three decades. Managed

services is extremely dear and near to me. I spent most of my almost two decades in managed services. AI has really opened up exciting new ways we can serve our clients in this space. Because the question always comes is about efficiencies, and I said greater efficiencies have always, always created more demand. And I've seen this through my own -- whether it was when we came RPA, the cloud wave, when all the things that came out, I've always seen that -- that it has always created more demand for us. I think clients come to us for the managed services as they are seeking a partner to run all or part of their business function and achieve their desired business outcomes. This means they get a better, faster, and lower cost solution while getting expertise and talent.

And we are at the helm of delivering business outcomes for our client in a tangible and a sustained way. Managed services consists of multi-year contracts, creating some of our largest, our most enduring relationships and represents 50% of our business. People ask me all the time what is the impact of AI on managed services? Always. This is like the favorite question in the last, I will say maybe more than a year, right. And I will say AI is creating more demand. In FY26, we grew 7% and we expect to grow in the coming years based on the opportunities we see in the managed services. We see AI really accelerating the managed services evolution. Traditional areas are changing. I remember our first one was in July of 2001, and we were doing all the managed services in differently. We got approval for doing 40 people that time, and I still remember even today, that day. In tech, agents are now embedded to run and modernize apps that is the tech managed services. In business processes we have gone from keystrokes and all the stuff that we used to do of transaction processing to delivering tangible, sustained business outcomes for our clients.

And we have new areas which I think are still and I think they're exploding in some ways like security where we are defending against AI era threats. A \$58 billion addressable market growing at 12% - new area. AI and data managed services \$110 billion addressable market growing at 15%. It encompasses enterprises re-platforming for AI, monitoring agents in production, managing the data sprawls that are out there and addressing rising cost, governance and the compliance pressure that we always have to kind of think about.

Finally, I --another massive thing for, exciting thing for me-- underneath all we have Reinvention.AI. I was just seeing a report where it is kind of mentioned as the best which is there on this planet. An integrated platform, what, agentification and automation, where we have invested, invested almost \$1 billion over the last four years - Reinvention.AI.

Now to bring to life, Estée Lauder Companies is a great example of what large scale cross-functional reinvention looks like. Julie recently, sat down with Stéphane, the CEO of Estée Lauder Companies to talk about the reinvention he is driving across the enterprise. Let's hear from them now. (Audio-Video Presentation)

So, it was great to kind of hear directly from Stéphane. What he described is exactly what Julie and I have been talking about, what it takes to deliver reinvention at scale. At Estée Lauder, that means transforming how the company operates across finance, supply chain, technology, marketing and consumer care across 150 countries -- 150. And I don't think there's any company on the planet that can kind of do this

transformation across so many countries. It requires simplifying and standardizing processes, modernizing technology, embedding AI throughout the business, and bringing people together, the right talent to deliver change at speed, which Stéphane described about. I think Stéphane also mentioned one important point. It's not about just reducing costs. Because sometimes we kind of get caught up about like, it is also about creating efficiencies that free up resources to invest in growth. In this case they have invested in marketing operations to really drive an uplift in revenue. So that's kind of just the -- our partnership with Estée Lauder.

Now I want to go on, I'm still in the core, and I'm going to now, enterprise AI stack. This is the third example in our large-scale reinventions that we're going to talk about. Simply put, the enterprise AI stack includes all the capabilities in an organization that needs to run AI at scale. You can think of it as the new systems integration work that we really, really need to kind of now help our clients with. The enterprise AI stack has an addressable market of \$500 billion. Is that like a wow, this market was just not there earlier. And simply put, it's not about putting a model on top of the building, and the building gets automated and AI. And this is where there is a real amount of hours and work that needs to be done as you are building the enterprise AI stack. It includes the seven layers which bring together the models, the data and the infrastructure that companies need to integrate AI into operations, modernize systems, and turn --my favorite-- experimentation into business outcomes. That is the kind of the real key on this. Now safety is an important part of the stack, I think last month we announced our partnership with Anthropic.

As you heard from Dario, we established a team of embedded evaluators to work alongside Anthropic's internal teams and safety planners, partners to evaluate and red team models, conduct alignment assessments and test model safeguards. And security is not just IT, it is also operational technology as well. And you will hear from CEO of Dragos, Rob, as more systems and assets are connected, we'll need more of this. The enterprise AI stack requires continuous care within an organization, and we see this market scaling. And I'll give you one stat. Because you're always looking for stats and proofs on this. In FY23 we had only four deals that were data and AI led, four. Today we have 50. Just a data point. Now, for bringing this to life, I recently had a chance to sit down with my client and my friend Kim Krogh Anderssen from Telstra, a leading telco in Australia. In 2025 we launched a seven-year JV to reinvent work, customer experience, and the ways of working. Building the full enterprise stack from top to bottom. Let's roll the video to kind of hear from Kim. (Audio-Video Presentation)

So, I think you heard from Kim describe the move from AI and data foundations to business outcomes from AI. Really creating the full enterprise AI stack. I want to just repeat the stat that I mentioned earlier. We had in FY23, four \$50 million plus deals--four

\$50 million plus deals. And today we're talking about fifty \$50 million plus deals. Because I might have lost in my speed that I forgot to mention because they're large-scale reinventions driven by data and AI. \$50 million plus.

Now -- I want to now move to the fourth area. I'm still in the core and still trying to tell you how we are going to grow the core. And I'd like to highlight the real big -- and I think one of the most exciting things is about AI growth arenas.

Now, AI growth arenas are entirely new categories of demand created by AI. They did not exist one year back. AI is opening new possibilities and new budgets, almost every part of enterprise, and with the new buyers of our services. We are seeing demand in the last count, about 20 growth arenas and each of them we have industry, engineering, software, and AI capabilities that position us to win. I would like to highlight --I can go on for the full day, but I don't want to kill you guys-- only two of the arenas, one is agentic commerce and the second one is software defined vehicles. Now looking at agentic commerce. Very simply put, AI agents are changing who or what they discover, they recommend, they select, and they buy products and services. In January, the pipeline was zero. We didn't have this service. Today it is \$1 billion and we have already won \$125 million as we speak.

Looking at software defined vehicles. The industry is changing the software is becoming one of the most important components. Automakers across, they need to build and integrate more software and AI, shorten the development life cycles, and improve vehicles long after they ship. My friend, Tracey, and you will meet her in a short time, she says think of this as iPhone on wheels. Is a simple explanation about that, again, very small at the beginning of this year on Jan 1. And now a \$600 million pipeline and winning. The pattern is the same in all the 20 AI growth arenas. Identify the opportunity early, build the capabilities and the credentials and be ready as demand scales. You heard me talk about now how we organize for growth and you heard me talk about four of the ways, we are growing our core business through large scale reinventions. I talked about the digital core and the white space there, managed services which I'm still the most excited about, enterprise AI Stack and how we got from four to fifty \$50 million plus deals and the AI growth arena. There's a lot of opportunity out there.

Now let me shift my focus to how we scale our network of businesses. Second part, so Chapter 1, now we're going to Chapter 2. The network of businesses represents 6% of our revenues today, growing at double digits. Today we have nine network of businesses, for each of this, the model is the same, and it is simple.

We identify large growing markets where Accenture has a right to win. We give the business the operating and the commercial model it needs. We connect it to Accenture strength. We will dig into several of the businesses on the panel that follows this and then later with John and Mauro. But now let's talk a few of them. I want to talk about Accenture Construct, DLB, and LearnVantage.

So before we get into Accenture Construct, I would like to share a little history first, and really show how we build a network of businesses. In FY22, we had a capital projects business of about \$300 million. We saw the opportunity early. AI is digital, but it needs physical infrastructure. We moved fast, marrying existing capabilities and adding targeted acquisitions like Anser in August '23 and then we got DLB in January [corrected] '26. Four years later, and as you can see in the graphics, the Capital Projects business is growing 55% with roughly half of that growth coming organically. This is exactly how we want to use acquisitions, acquiring to accelerate our growth. Today, Capital Projects is comprised of two network of businesses -- Accenture Construct and DLB. Let me talk about Accenture Construct. We help clients plan, deliver and optimize large capital infrastructure programs. It's a \$260 billion market

driven by AI infrastructure, the energy transition, and the aging infrastructure replacement. We already serve 19 of the 20 utilities in America - 19. And Mauro, my friend in EMEA, serves all the 20 utilities in Europe, in EMEA. Now, Construct opens the door to new buyers inside existing clients. Leaders running major capital programs we couldn't reach before, and connected to our supply chain and the re-engineering reinvention partner, we can now bring the full range of capabilities each of our clients need. Think 19 and 20, we couldn't serve them earlier now we are there ready to serve with a totally new capability.

Next DLB. Data centers are one of the clearest examples of AI driving capital investments. DLB Associates brings specialized engineering, commissioning and consulting for data centers and mission critical facilities. With DLB, we support clients across the entire data center lifecycle, right from site selection through commissioning to decommissioning. This is a \$12 billion market, \$12 billion expected to double by 2030.

Third one, LearnVantage. As I said, we have got nine, I'm talking about three and we will dig into slightly even deeper in the panel. LearnVantage is an AI native learning platform serving a \$110 billion market. As workforce capability is becoming a constraint on AI adoption, LearnVantage really, really helps clients upskill their people in technology, data, and AI at scale. And because it operates on a platform, it is also a non-FTE commercial model.

So, as we look ahead, right, we will selectively expand our network into new markets and I'm really looking forward to our next launch where we will bring to market products built using our deep industry and functional domain expertise. So I'm saying the nine will become 10, and it will continue to grow.

So, as I look across the network, these businesses are different. But the model is the same. Identify the opportunity early, build a differentiated position, use the right business model and scale it with the power of Accenture. When I say the power of Accenture, we have got the world's largest client account leads -- who serve, who are the trusted advisor, who are the orchestrators in more than 4,000 clients across the world, largest I think the intelligence as a trusted advisor, which is what we kind of bring. Now, that was a lot that I covered on this. I talked about, how we organize for growth, think budget holders, to reach our key buyers and the budget holders. I talked about our core business which goes through large scale reinvention driven by AI, and I finally talked about nine fit-for-purpose network of businesses to capitalize on large, fast-growing markets. One of the most important points you have heard me say, and you will hear repeated throughout today is this, and I want to bring back to this chart, which is we have expanded our addressable market by \$1.5 to roughly \$3 trillion. That is the mass. And I kind of, I was giving you a lot of times, but I wanted to summarize this again for you.

And if you even need any more details, very happy to engage. This is one of my favorite topics. The impact of AI is undeniable. Now to help me bring this all to life and to dive also deeper, I would like to invite a few folks to join me on the stage. Lan Guan, who is our Chief AI and Data Officer; Tracey Countryman, she's a Reinvention Partner Lead for Supply Chain and Reengineering; Rob Lee, he's the CEO of Dragos, our network of

businesses function focused on OT Security; Marc Warner, CEO of Faculty.AI, another network of businesses and now also the Chief Technology Officer for Accenture.