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CORPORATE PARTICIPANTS

Julie Sweet – Chair and Chief Executive Officer

Manish Sharma – Chief Strategy & Reinvention Services Officer

Lan Guan – Chief AI & Data Officer

Marc Warner – Chief Technology Officer & Chief Executive Officer-Faculty

Rob Lee – Chairman & Chief Executive Officer-Dragos

Tracey Countryman – Supply Chain & Engineering Reinvention Partner Lead

John Walsh – Chief Executive Officer-Americas & Market Unit Lead-US

Mauro Macchi – Chief Executive Officer-EMEA

Simon John Roberts – J Sainsbury Plc, Chief Executive Officer

Kate Clifford – Chief Leadership & Human Resources Officer

Angie Park – Chief Financial Officer

Alexia Quadrani – Head of Investor Relations

Reinvention at Scale: Strategic Overview

Julie Sweet

Hello everyone. Hello and welcome. We have many of you in the room and online, so thank you for joining us. And thank you to the people who actually make today possible. That's our Reinventors and our clients around the world, the incredible technology companies that make up our ecosystem, and of course our production team who's with us today.

We're also joined by some of our board and many of our senior leaders. And for those of you here today in person, you're going to be able to meet some of those senior leaders. We are really excited because you're investing time and we have the opportunity to tell our full story. Our goal for today is that you leave with a deeper understanding of how we have become a business reinvention and technology company and why we have significant growth ahead.

Today, we're going to cover three things. First, why is AI making Accenture more essential than ever. Second, our new foundation for growth that we've been building for the last four years. And finally, third, our growth trajectory, how we're going to use that foundation to drive significant durable growth and shareholder value creation.

So let me start with some context. Twice in the last 20 years, there's been an economic reset in our industry. First, there was offshoring, made possible by the internet and automation. Offshoring drove down the cost of building software and routine IT services. In fact, at one point there was a fear that automation would wipe out huge portions of the IT services industry. Then came cloud and digital. Cloud and digital drove down the cost of technology itself, and you saw for the first time software starting to replace some services.

Now, over both eras, an important thing happened. Offshoring, cloud and digital did drive down the cost of some of our services and eliminated some of our services. And at the same time, the underlying technology allowed enterprises to do so much more that the new demand that was created far exceeded overtime the demand that it replaced. And in both cases Accenture had significant growth and took significant market share. How did we do that? Well, first of all, we embrace these developments quickly. We invested in innovation and we were willing to reinvent ourselves, from how we worked, to where we worked, to how we organized, to what we sold and we invested each time in new sources of revenue that were being created by the technology wave.

So we're now four years into the next economic reset of our industry, the age of AI. We think the opportunity is bigger than ever before. And while AI does have the potential with AI efficiencies to impact our business more than ever before, we again believe that ultimately the new demand that will be created will far exceed the demand that's being replaced. Now across both of these eras, clients, the ecosystem and trust have been at the center of our strategy and they remain so. And we have confidence in our future because we've had a great track record in prior technology waves, we're running a playbook that is informed by the past but accelerated. And now we can see it in the

opportunities that we've created already and the new foundation. So, I'm with clients almost daily. It's the best part of my job because it's so inspiring to be with CEOs with bold ambitions, and those ambitions are being driven by the twin catalysts of AI and the macro environment.

Now, when I look at where we are across our client base, there's wide varieties of AI readiness. We have some clients who are moving from using AI to running on AI with enterprise-wide programs. Most are still quite early, starting to scale some things across the enterprise, and many more are just getting started. Wherever they are starting there's one thing though that is very clear, incremental change is not enough. We see it this way. AI is the breakthrough innovation, only reinvention can unlock the value. And this is what matters to Accenture. Our clients turn to us in times of change: the bigger the change, the more they need us. And reinvention is fundamental change. And our clients over the years have turned to us over and over again because we've delivered reinvention. That is why 85% of our top 200 commercial clients and all of the G7 governments have been clients for 20 years or more. They turn to us because we have a unique set of strengths that no other company can fully replicate.

Now, you're going to hear a lot about our strengths over the course of the day. But I want to highlight a few that we've built over decades: who we serve, who we build with, what we know, and what we've done. So, when you think about who we serve, we operate in every major market: 75% of the [Global] Fortune 100 and Fortune 500 are in our client base. We serve every G7 government, half the world's economy run through our client relationships. And we have an incredible ability to build trusted relationships, sometimes built over decades, because we have a cadre of client account leaders who wake up every day thinking about how to help their client be successful and what we can do to be a part of that. This means that we have unmatched insight and experience. Then there's who we build with. We have, by far, the largest and most strategic ecosystem of technology companies in our industry. We have over 200 in our network, but 18 of them make up about 65% of our revenue. They are the largest technology companies. They are the emerging technology companies. They are all at the center of the AI wave. And because of these relationships and our ability to invest, we use the latest technologies early and we build the skills our clients need. We understand technology. We understand the enterprise. We help our clients decide what is fit for purpose and then we help them create value.

We work with each of our technology companies in the ecosystem to create joint solutions that we take to our clients to help them accelerate value and lower risk. And we have the largest distribution channel in the industry with over 9,000 clients, which means our technology partners know that we can help them scale. They also know that we will have the people, our Reinventors, that they need to scale because we have the best ability to attract, retain and grow talent in the industry. That is why we are number 4 on the Great Place to Work global ranking. This is across industry and that ranking is by far the highest in our industry. And when you take all of these factors together that is why decade after decade, we have been the number 1 partner to the ecosystem that matters to our clients. And that brings me to what we know. We have over 800,000 people and last quarter they were 93% utilized. Our clients value our Reinventors. Our people have deep experience across 13 industries in all major functions. So that spans

from corporate functions like HR and finance to core operations, manufacturing, R&D, the network to everything, customer sales, marketing, service, product development. And our capabilities span from strategy, operating model, change management, process, data, AI, technology.

These are all of the things that we talk about that are so critical to reinvention, and we're able to deliver them in the way the client needs it through consulting, through managed services with proprietary assets and platforms. And increasingly through software that we are either buying or building. That brings me to what we've done. Our purpose is to deliver on the promise of technology and human ingenuity. We use the word deliver very deliberately. This is our point of pride. People at Accenture get up every day proud because we deliver results. We have built our reputation, our brand, on being at the center of every technology wave and delivering complex, hard programs.

And when you think about it, every year the number of clients who are doing \$100 million of bookings a quarter with us has increased. You do not have that level of relationship unless you trust your partner to deliver. And when you think of each of these strengths, who we serve, who we build with, what we know and what we've done, they're the reason why Accenture is a force multiplier for our clients. We help them do more than they can do alone, and all of this adds up to our ultimate strength, trust. Our clients trust us; they trust our expertise; they trust our ability to deliver; and they trust our commitment to their success. And underpinning that trust is our commitment to live every day our core values and our leadership essentials. Whenever I'm talking to a new young managing director, I tell them that everything they need to know about how to be successful personally and how to help Accenture be successful is there in our core values and our leadership essentials. They matter.

Now, before I take you to where we're going. I want to spend a few minutes on our starting position. Over the last four years, we have invested organically and inorganically to build a new foundation for growth. It is not just a new foundation, it is the strongest foundation we have ever built. Over the last four years, we've increased our addressable market from \$1.5 trillion to \$3 trillion. And in the age of AI, we have built the largest AI and data workforce in our industry. And while we've done that, we've added \$12.6 billion in revenue, we've taken significant market share, growing more than 2x our investable basket, and we've returned \$35 billion in cash to shareholders. We've made three big strategic moves over the last four years.

The first I will call accelerating large scale reinventions. Once generative AI emerged in November 2022, we knew that it was going to take a while for the AI to mature to be able to have an impact and we made the deliberate decision to go after more large transformations. These transformations put us at the center of our clients' agenda, and we knew that not only would they deepen our relationships, but they would position us to do the next waves as AI matures, which is exactly what we're seeing now. And we've been incredibly successful, we use our \$100 million bookings a quarter as a proxy for reinventions. In FY22, that was 100. Today it's 141 in the year that we just completed, which means over 500 – 501 to be precise – that we have done over the last four years. Not only is that driving our growth, but it positions us for the next rounds of growth. And the way that works is well illustrated by a meeting I had this week. So just a couple of

days ago, I met with the CEO of a new client, a \$20 billion client, annual revenue client, and they had come to us after looking at all of our competitors and we're signing our first reinvention with them. It'll be over \$100 million.

Now our teams have already shaped Wave 2 and Wave 3, and by the end of breakfast we had shaped Wave 4. This is how these reinventions compound wave after wave because we're strategically positioned at the top of the house in the agenda that matters. And you can see that with our Diamond client relationships, which are our largest relationships. In FY22, we had 267, we now have 317. Now, over the course of the four years, as we focused on reinventions, we also learned a lot.

And just last year, in the spirit of reinventing ourselves, we made the biggest organizational change in our history and created Reinvention Services, which brought together all of our capabilities so that we could much more easily embed AI and data and move more quickly. Just a few months ago, we created seven units, we call them Reinvention Partners. Each of them is organized around how our clients operate, invest and buy. And you're going to hear more about these later today with Manish. That brings us to our second big strategic move, taking an early leadership position in AI.

In November '22, when generative AI emerged, we moved quickly. Within months we had announced a \$3 billion, three-year investment specific to AI. The best way to evaluate our achievements is to look at the numbers. So, let's start with in November 2022, we had a handful of generative AI projects going when it hit the public. Today we've done over 18,000 advanced AI projects. I just want to pause for a moment because when people ask me what reinvention means, I point to this statistic. This is over 18,000 around the globe in multiple industries from a starting standstill point of five. What it takes to do this is not operating the same way we operated before. We change the way we worked, we invested, we focused, and this is an incredible number that's climbing every day.

We also went from 40,000 AI and data professionals to nearly 110,000. We created nine new business groups with the emerging companies that mattered in AI and data, following our playbook that we build relationships with the technology companies that matter to our clients. And we also expanded our AI and data partnerships with our largest ecosystem players, and today all of them are at the center of the AI wave. Just a couple of months ago, maybe it's only a month now, we also announced the creation of our new AI safety business using Faculty, our AI specialized business that we launched -- that we bought earlier this year and you're going to hear from Marc Warner, the CEO, a little bit later.

So when you think about why is it important that we took early leadership, mostly it's because this is where the demand is going to grow and it's where our clients want to spend their money. But that early leadership also gave us another advantage. It helped us understand what the new growth would be, and our third strategic move has been to use acquisitions to accelerate into higher growth markets.

Our strong balance sheet and our strong free cash flow gives us investment capacity that we can -- flex up and flex down. And over the years we've used that to accelerate

growth. And when you look at our business today, we have multi-billion dollar businesses that were built initially through a lot of inorganic, cloud, cybersecurity, Song, supply chain and engineering. So this is something we know how to do and we think of our acquisition experience as a growth accelerator. We have spent over the last four years, including the acquisitions that slipped into September, \$19 billion. We've done so for the three reasons we make acquisitions. The first is to scale markets where we're already in but have higher growth. So cybersecurity is one of them, traditional cybersecurity and so you saw us for example buy CyberCX in Australia.

The second reason is to deepen industry and functional skills. So we've done a lot of supply chain acquisitions. Those tend to be smaller and more niche. And then the third reason is to expand into new markets. And this is where when you think about our move from \$1.5 trillion to \$3 trillion, this has contributed the most. Every technology reset creates new growth. And because we were in the center of what was happening with AI, we could see that there was going to be more opportunities than ever before, new markets, new buyers, new commercial models and so, this was the time to ratchet up our ability to use our competitive advantage, our knowledge of how to do acquisitions, our strong balance sheet, our strong cash flow, and invest. We have now created what we call a network of businesses.

You're going to hear more about the specific businesses a little bit later. Those businesses followed a playbook. They were in large and growing markets. They would use the power of Accenture to achieve more than they could stand alone, they are AI powered and AI resilient, and they have revenue growth above the average of Accenture and increasingly non-FTE models. So, that playbook we've executed, and that brings us to our next chapter.

Our next chapter is about scaled reinvention. The last four years they've been about building, reinventing, expanding. The next chapter will be about scaling reinvention for our clients and for us. Our three-year financial ambition is to achieve at least mid-single-digit revenue growth and constant currency in FY27 and FY28 and then a step-up in the range of growth from mid-single-digit to high-single-digit starting in FY29 and taking market share throughout the entire period. Our ambition includes continuing to expand operating margin while investing at scale in our business and returning significant cash to shareholders. Angie is going to take you through more of the details at the end of the day. Now our business goals are to continue to be the reinvention partner of choice, and the leader in the safe widespread adoption of AI, and to be the most client focused AI enabled great place to work for our Reinventors.

In the next chapter, our growth strategy has two components. Grow the core and scale the network. These are mutually reinforcing and our reinvention partners will drive both, and we will continue to invest organically and inorganically in both the core and the network.

So, let's start with the core. The core was 94% of our business in FY26, growing approximately mid-single-digits. We see a few growth drivers in the core. Most of our growth will continue to come from large-scale reinventions. Those will have different flavors depending on the client. For many, it's still about building the digital core,

modernizing ERP, modernizing the mainframe, moving to cloud, eliminating technical debt and creating the technology foundation needed for AI. For others, it'll be about transforming a function, creating investment capacity, doing cross enterprise transformation. And in all cases, our clients value that we're embedding more and more AI, helping them execute on an AI strategy by leveraging our expertise and our platforms. And we're starting to see the green shoots of companies who are already more mature in their digital foundation to do enterprise-wide programs.

Another big driver will be creating the enterprise AI technology stack, which is necessary to actually run your company on AI. Everest recently put out a report that said only about 5% of clients have the foundation, the enterprise AI technology to actually be able to scale AI in a repeatable way and that's exactly what we see. This is a massive opportunity that is net new and will help drive our growth.

The third big driver as we see the core is going to be helping our clients use AI to do what they couldn't do before. Some of that's going to be about running the enterprise, but there's a lot of net new opportunities like agentic commerce. And Manish will talk later about these growth arenas that we've identified that are expanding our addressable market and are part of our long-term growth plan as we scale. So that's the core.

Let's talk about the network. We're really excited about what we're building here. Today it's only about 6% of Accenture and its growing double digit, but over time we expect it to be a material contributor, and the network what makes it different, is that these are companies that leverage all of our strengths, but they use different operating and commercial models in order to grow. So we have two engines, the core and the network. But we also grow by who we sell to. And so when you think about our client base, we have a ton of white space in our large enterprises and emerging large enterprises, which is where we've traditionally been. I just talked about the brand new client, \$20 billion of annual revenue. And we'll grow with them by leveraging our reinvention partners to grow our market share within a client. And then we'll take our credentials and continue to grow with similar profiles based on our credentials.

At the same time, we and our ecosystem believe that the mid-market is an important growth opportunity. The mid-market is a \$240 billion market growing high single digits. Now we've always been in the mid-market, but not as a growth strategy. Last year it was about 8% of Accenture. Over the last couple of years, we've bought mid-market focused companies to test our strategy. And starting in FY27, we are going intentionally into the mid-market to take market share. This means that we are able to grow by taking more of Accenture to more clients, and the mid-market will be part of our core and part of our network.

So, before we go to the next section today, I just want to take a moment to summarize the big picture. We have invested for four years in building the foundation that we believe will allow us to step up our growth to mid-single digit to high-single digit in FY29. That belief is grounded on what we see today in our core and the network. It is also grounded in the reality that it is going to take some time to scale AI across the enterprise and in the meantime, we're absorbing AI efficiencies in our business. We also have a macro that's contributing to a challenging spending environment, and as we look

forward what we actually achieve will of course reflect what's happening in the macro, but we're not waiting for a meaningful tailwind, although we do expect over the next three years some normalization to occur.

In our core, our growth will be large scale reinventions, and as AI adoption accelerates, we'll have significant opportunities in existing work and in the new areas that we've identified. And our ambition is to grow on a very, very large base mid-single digits while absorbing AI efficiencies. And with respect to our network, we believe that we have the potential to double the size, it's currently 6%, by FY29. So, we're excited to now be able to dive deeper into those growth opportunities and in a few moments, Manish Sharma, our Chief Strategy and Reinvention Services Officer, is going to come on stage to do so.

But before we do that, we're going to hear directly from some of our ecosystem partners. And throughout the day, you'll hear more from our ecosystem partners as well as our clients. After Manish, John, our CEO of the Americas and Mauro, our CEO of EMEA will come and give you a market perspective. They'll take it from the client up and the market demand in our two biggest markets. I'll then be joined by Kate Clifford, our Chief Leadership and Human Resources Officer, to talk about how we're reskilling and upskilling and hiring the best talent in the world to make sure that we can hit our growth ambitions.

Over lunch, you'll have the opportunity to meet with many of our senior leaders and you've all been assigned a table to make sure that happens. And then Angie will take us home this afternoon. So that's the day, thanks again for investing the time. And now you'll hear directly from five of our ecosystem partners, all of whom we both use at Accenture and we help our clients use, and then Manish will join us. Thank you.

Our Growth Opportunity

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.

Inside Reinvention Services

Manish Sharma

So, I will try to moderate the panel, but these guys are a bit unruly. So, sometimes the panel really might go on its own way, but I will try to do my best. One of the things I always find about Accenture, even after three decades, is just the incredible talent we have. And for me, when I just see the four leaders walking in, I get goosebumps like -- wow, who in the planet can have these kind of leaders? So, I'm going to start with Lan. I'm going to put you on the spot, Lan, on this. Because I talked a lot about enterprise AI stack, \$500 billion market and all the good stuff there. What does it really mean in kitchen English? Well, otherwise you know, and I talked about it being the new systems integration work, but just explain to our investors and analysts what we are talking about in this?

Lan Guan

Sure, by the way, you did great. So, in plain English, everybody can buy code. Every company has cooked up some kind of AI pilot. But as, what we talk to clients every day, AI scaling is really hard. So, Accenture builds an enterprise AI stack, and you can think of

that as the industrial kitchen to scale AI. So, since ChatGPT launched, our team has done 18,000 projects, AI projects. So, we know where companies stand. Most of them have baked the cake in their grandma's kitchen, so to speak. So, now it's time for them to get an industrial kitchen. So, that is equipment, repeatable processes, quality controls, so that all of them can make the cake consistently and safely for millions of times. So, that's what we mean by enterprise AI stack. So, this is not a quiz. Manish showed the seven-layer cake earlier. This is what I do every day. Seven-layer cake has data knowledge, models, agentic core, governance, security and safety, scale AI operations, and then user front-end. All of this need to be built on top of robust AI infrastructure. So, my point here is, model is only one ingredient. You need everything else in the kitchen to bake the cake. So, this is a lot of work for us.

Also, I want to call out, the work is durable. The work will never go away. Why? Because as new tech gets launched every day, what does that mean to us? We have to do new work to integrate the new tech into the stack. Plus, Manish mentioned the AI Managed Service before. The stack needs to be run all the time. Why? Because model would drift, data would get out of shape over time. Also, we believe that readiness drives demand, because Manish, I hope you agree with me, the industrial kitchen cannot be filled on top of some kind of crumbling foundation. So, you talk about companies will do cloud migration modernization first. I will add to that, they also need to get their data AI ready as the new foundation. Last but not the least, why this is so important to us? Because this role is very hard to replicate. I'm not bragging about it. I actually think we're the only one who can do this work, because we bring a lot of the industry knowledge, a lot of AI expertise, that is a perfect combination. Plus, we have done this hundreds of times.

Manish Sharma

Thanks, Lan. It's always, I think, to demystify this enterprise AI stack, and that is why I wanted Lan to describe. Lan, one client example where you can illustrate -- where you are seeing this -- how we are deploying this?

Lan Guan

Yeah, very quick client example. Actually, this is a personal project that I personally led, I think this is something that everybody can relate to. We built an AI travel companion for a large airline. So Manish, I don't know about you, but to me, when I think about personal trip planning, is full of what I call moments of anxiety. There's just so much in the air. So the system that we build needs to be able to handle billions of customer inquiries with a messy prompt just like this one, "Hey, I'm a loyal customer of your airline. I think I have \$500 credit from the past canceled trip, and I want to take my family for the first time to Paris to stay in a great hotel. But I want to use that credit. How should I do it?" So this is an everyday question. But we have to build a stack to actually get the work done. So just initially, just like everybody else -- we rushed to the model, we connect to the very powerful models, but then the out-of-the-box LLM doesn't know anything about the customer, doesn't know anything about airline specific things. So I have to give, model the context that is very, very important. We integrated a lot of data from airline. We also leverage a lot of airlines' knowledge documents, lots of them are standard operating procedures, policy document, very long, very messy. So I have to do a lot of work to

cleanse them and actually bring them into AI.

And we also build a lot of semantics. You probably heard the term before, that's basically giving meaning to data, so that AI will actually disambiguate a fuzzy term like what I said earlier, great hotel, because great hotel means different things to different people. So this is the kind of work that we do behind the scene. And then we build agents. And think about agents just like a team working in the kitchen. And you have the orchestrator agent that is a head chef, managing a bunch of specialist agent and while we're building agents also is very critical for us to make sure that we do governance and safety and security, which I know my friend, Marc, is going to expand on that later. But we want to make sure that agents are following policy, systems are secure and user friendly. Another layer that I talked about earlier is very important because many people don't realize, now users for agentic AI, actually include both humans and agents. So, humans interface, there's so many choices. I got asked by my client every day, how do I not get locked in? And then agent interface also needs to be highly operational. And then we need to put all this together. It's almost like the industrial kitchen needs to have a command center to make sure that everything is running smoothly and all of this need to be built on top of very robust infrastructure. So, I think the key take away I want you all to have from this example is enterprise AI stack is the linchpin to scale AI. Back to you.

Manish Sharma

I think you just -- and for me, like I know whenever I go for any discussion and people say, can you just quickly do some AI and get things out very quickly. It's like really hard work, right? On this.

Marc Warner

We see this like, if you look back at history, always, the technology change to get the value, goes hand in hand with the process change. Whether it's like steam to electricity or containerization or computers, original computers into enterprise. And so, it's just bringing both together as the only way you ever get the value.

Manish Sharma

Just like that. That's why I love this. Let me go to Rob. New in Accenture, like six months, you are like three weeks and so happy to see you here. For all of us here, first of all, OT. It's like IT, everybody is like, grinding will go away. OT, for you, you develop, every night, you have one worried about "oh my God, what's going to happen?" None of us, like, really think about this. And it's going to become a \$59 billion market. Tell us, Rob, more about this.

Rob Lee

I mean, OT is the physical world, and no one notices it until someone hits the light switch or a talk and the lights go up and down you go, "oh, something's going on." And that's OT. It's the physical aspect of data centers, water, electricity grids, pipelines. It's our world. And all of the money has been spent on the enterprise IT side, to secure it. And

that's not effective in OT at all. And no CEO is confused about where they generate revenue. It's not the website, it's the operation side of the house. And so, for governments and others to figure out that it's not protected, they're freaking out. And we see it happening. We see 700 supermarkets across France in the last week, refrigeration units turning up the heat, spoiling food, fires in supermarkets. People are scared, they're looking for partners, they're looking for answers, they're looking for solutions. So for Dragos to have the technology, for Accenture to have the reach, it's hitting a time and place that everybody has taken this seriously and needs an answer, and it simply hasn't been done before. And you can't have an AI revolution or space revolution without energy and infrastructure, and you can't keep it very long without OT security. So I think it's just wonderful that we're doing it today.

Manish Sharma

I first met Rob in Davos. It is pretty quick actually. It looks like it was yesterday, right? And it was -- I had a good tutorial on OT from Rob. He came to me and Walsh and I were together everywhere really having a good time. But it's just, I think just shows again, a massive opportunity that we have and how we are going to go to build on this.

And with that, I'm going to go to Tracey now, that every time he gives me this example and I start wondering getting worried. But you are right in the middle of all the factories. And all the plants and the maintenance and everything else going on. How has AI and security got to be designed as you are building this stuff?

Tracey Countryman

So first of all, I am so glad you're with us. He's my best friend in what I do and what our teams do. So we are seeing AI in supply chain engineering across the patch. So it is early days, but if you think about it, R&D and engineering, core part of our clients' business, we're deploying AI with clients now to figure out new discoveries, formulations, new products. I mean an engineer spends 40% to 70% of his time, depending on industry, looking for data, doing documentation, redoing engineering drawings, and then trying to get it certified out the door, right. So agentic is brilliant for that space. Second, once we've designed a product, we have to make, we have to source the product and the materials. So we're seeing AI and how we look at alternative materials and sourcing. We're seeing how we can leverage it for optimizing spend and used to be, we discover the top categories of spend. Now we can cover all the categories of spend. Thank you, AI. Then once we have the materials and we've designed this product, we've got to make it. Manufacturing and facilities, I couldn't agree more. It is the heart of the clients' business, it's the literally the crown jewels. And we're seeing AI being deployed with our clients, with our help, and driving optimization, production, yield, quality, energy usage. Almost every clients' looking at this on how they can save money but also create growth. And then the last part of our chain: supply chain. How do we forecast better? How do we plan better? How do we respond more to the customers' demand and the signals? Tie it all together to drive more resiliency, but we can't scale any of this without what Lan said, which is we got to have our OT data and modernization in order. We've got to have the data foundations available. We got to have it secure and we got to bring our workforce, our engineering and operations workforce and supply chain along in this journey, right

to be able to do this. Let me give you an example from a leading industry.

So one of the top industries we have in automation is automotive. One of our clients, the Renault Group, they are a European car manufacturer. They've spent seven years working on data foundations. So the core data foundations, and what does that mean? Well, it's across 20 plants. It's connecting 25,000 machines, 25,000, and I love the example of the billions of data for airline, but this is 5 billion data points a day. That's real time operations in production so that we can have cars. Now that's interesting for the visibility and how that all comes together. But they've already saved by doing that and being able to look at what's happening in the lines. They've been able to save EUR120 million a year and they've been able to improve by 50% the ramp up time for new cars. Okay, so that's growth. Now that they have this amazing data foundation, they're figuring out, how do they do an agentic layer on top to create an entirely new operating system for factories.

The agentic layer that can figure out and anticipate disruption around energy supply and anything that might change the output of those facilities from a network perspective. That's unbelievable. But the reality is what Julie said earlier and that is most of our clients are not there yet, right? On this journey, on how they can bring that data set together.

We're talking about decades old plants and equipment. We're talking about the fact that 75% of our companies are still doing manual operations. We can't talk about agentic over here when we're talking about stuff that's not digital yet. So the whole future is in front of us and how we're going to scale and help our clients get there is absolutely in the forefront in the very, very beginning. So to answer the second part of your question about OT security and my buddy over here, it's absolutely imperative. It's not a nice to have. We cannot do the digital and the AI in these critical parts of our clients' business without OT Security.

Manish Sharma

Rob?

Rob Lee

I mean, I love hearing that. I think it's the critical part of critical infrastructure. And again, people understand that outside these rooms and in the field. And no CEO wants to have a loss of human life. No national security leader wants to have a loss of human life. And that's what we're talking about when you talk about cyber attacks on OT, it's catastrophic, it's power grid failures. We've already seen people try to kill people through cyber attacks. Nobody wants to talk efficiency in comparison to loss of life. And everybody wants to secure those facilities. So I just think it's absurd sometimes that we spend so much time only focusing on one aspect of security when our entire world and our communities and our families depend on this other aspect.

And again, I think that's only when you have trusted brands and partners like Accenture, you have all the expertise in one place. You have unique proprietary data, models, and insights that no one else has access to. And you can bring that into an outcome that not

only takes businesses and allows them to transform, allows them to take advantage of AI, but it also protects people. And the combination of those two things is a good mission. But of course, it's a huge market. And the combination of those is just going to be something that I think we're going to be talking about for the next 30 years.

Manish Sharma

Right. Every time you give me with all the stats, you just make me worried actually.

Rob Lee

I always come off like a doom and gloom guy at the panels...

Manish Sharma

And -- the thing which Rob is talking about, not many people really understand the implications and that is why I said I got my first tutorial from him in January in Davos. But then let me move to my next tutorial that I got, which was with Marc. So, I met Marc in London when we were in the first discussion. We were near the whiteboard and we were fighting with each other. Who will take the pen on this? But Marc, we have -- we first met you. And what I really liked about Marc and the team was, they are a team of like 400 PhDs and all the good stuff, but their humility and grind being on the ground is incredible. And they talked about safety 10 years back when it was not very cool. Now everybody has suddenly woken up about safety, safety. Oh my God, Oh my God. But, like these guys were talking about it 10 years back. But Marc, tell us about what does safe mean in the world of models?

Marc Warner

Yeah, I guess. Well, we've sort of always cared about safety because it was always obvious to us that if you anticipated AI playing a bit much bigger role in society, failures of it would also just be more impactful. But I think sort of similar to what Rob and Tracey are saying, the thing people still miss is that safety is going to be the unlock to doing AI at speed and scale for exactly the sort of similar reasons that Rob is saying about OT security safety. No CEO wants to bring AI into their organization that they can't trust and can't control. And we think of it much more like -- well, imagine a car, you have your brakes, which are sort of fundamentally a safety system. But if you want to do the fastest times growing around the track, you don't throw away your brakes. It's getting the safety systems, the brakes and the gas working together effectively, that get us the fastest times. We think AI will be basically identical to that and we're seeing it in practice. So, in the UK we did one of the first agentic system builds in the finance sector for a new bank called Tide, a growing business bank. And actually spotting the fraud there, to help them do fraud detection, spotting the fraud was quite easy. It was building all the systems around it, many of the things that Lan was talking about actually, that really took the time to get it right. But then once you do that, like the value is just obvious, and the organization can adopt it much, much more effectively.

Manish Sharma

Now, like again, this is where I'll tell you, like you can get anything from the discussion, but just see the talent and the wisdom that these people have. So, talk to us about applied AI. We talk about this, but you are not only safety, you are at the forefront of applied AI solving large business problems for life sciences clients and others. Talk to us about this launch of this new lab that we are talking about.

Marc Warner

Yeah. So, I mean, we think of ourselves as an applied AI company. So, we started in 2014 back when there was only really people doing sort of more academic foundational research. But we could see AI was going to be incredibly important, but we thought that it mattered, that it actually affected people's lives in a meaningful way. So, whether it was making education better or healthcare or products cheaper, all these kinds of things. So, we actually coined the term applied AI to sort of illustrate what we wanted to specialize in. And right now, there is basically a sort of open problem, which is AI is this extremely dynamic technology: every day, even week, months, certainly there are new releases, and the capabilities are just increasing and increasing. And organizations don't know how to bring that into their businesses. And so together with Accenture, we are going to invest in something that we're calling Faculty Lab, which is an organization that's going to sit at the intersection of frontier AI problems and real enterprise context so that you can act like, organizations can actually start to understand how to bring this into their businesses. So, think about something like software development. If you want to use coding agents as an individual, there's a ton of different blogs you could read. If you're a startup or a scale up, there's small amounts of good insight.

But if you're an enterprise that wants to use it in a regulated environment with tons of legacy systems across multiple geographies, multiple time zones, different teams, there's basically nothing on how you should manage that, how you should integrate these coding agents. And that's a disaster when there's about three times the number of software engineers that operate an enterprise as compared to startups. And so, we're just not able to get the value out of the technology at the moment. But soon we will be able to, I mean the big deal that you were talking about with Anthropic basically came off the back of Faculty investing in safety very, very small amount over the last 5 to 10 years. We're going to have 10x or 100x that budget in the lab and a much broader remit. So I think we'll be able to see some equivalently exciting things come out.

Manish Sharma

And you got me over excited as usual. Now Rob, I'm going to come to you. You were running a very, very successful, very fast growing business. Accenture also is doing this OT security and we are also the large cybersecurity business. What is the power of coming together here?

Rob Lee

Yeah. I mean, first, Accenture has already been doing this. When I started this company 10 years ago, nobody was really doing a lot of OT Security, wasn't really a market.

Investors weren't looking at it. They thought it was crazy. I remember getting laughed at plenty of times in Silicon Valley. And now it's the biggest market that people are chasing. But Accenture saw it 10 years ago. Nobody else was investing in the services and the expertise and the talent. A lot of your competitors, they were there, they left it, they sort of flirted with the idea, but they didn't stick with it. And nobody in manufacturing, nobody in oil and gas, wants to see somebody whose first OT environment is their OT environment. That's just not going to work.

So for Accenture to have that level of commitment and talent, it resonates with the customers. For us, we have the technology and the expertise and the credibility as well. We don't have the reach and scale. By partnering with Accenture, we were able to immediately start opening up new geos and markets. We had customers come to us that trusted the Accenture brand and knew they could be successful. And these are huge projects. These are massive multi-million dollar deals, huge undertakings, and there are things that people haven't done before. Every CISO knows how to evaluate the next security technology in an IT market. They just need help. But no OT if they've never done the journey at all, they need a huge partnership. And they needed somebody to unlock the value, to operationalize it, not just to deploy the software, but many times to manage the security services after the fact. And to be there, unfortunately, when it's the worst day, everybody's worst day is that incident that takes place. It's scary, something's going on. It's not anything that you've been through before. You need somebody to turn to. And so for Accenture and Dragos to combine that credibility, that authenticity, the expertise, the technology stack, it's just something that everybody's been waiting for. And I hear from a lot of our clients that it's now time for them to accelerate. I hear a lot of CEOs going to the CISOs who don't understand OT historically, saying this is our number one board priority. We will give you new budget. This isn't taking away from your IT budget. We will unlock new budget. Just please go fast. And it's going to be an Accenture-Dragos combo that gets us there fast.

Manish Sharma

Thank you. I think what Rob just described, I think IT has been, like focus and everybody's kind of talking about IT for a long time. OT is going to be one of the biggest, I think spends that we are going to really see.

Rob Lee

If I could say, no President and head of state has ever talked to me at Davos or anywhere else about the printer. Nobody has ever said like, hey, can you help me with my cell phone? It's always been in a conflict scenario in major attacks. How do you help secure our country? And all of that is just OT.

Manish Sharma

Absolutely inspiring. Now, I'll go to Tracey, back to you. So Tracey, I think for the investors, I think they've seen us as IT and we're doing all the functions and everything else, people with hard hats running around the place. Give us a window into like what is like, AI doing into this world of yours.

Tracey Countryman

I love that hard hat and steel toe boots--

Manish Sharma

I wanted to just paint the picture there --

Tracey Countryman

Multiple things. So one really interesting example that you guys might find fascinating is that we were selected as a sole engineering partner for an aerospace company to do a lightweight transport 19-seater airline. And we did everything from early concept to structural design through digital replicas, through documentation and certification. And we did that using AI in every part of that process. So one, that's kind of the R&D example around manufacturing, little different than Renault. That example is really with a company called Unilever. You guys might use Unilever products. You'll be happy to know that when we deploy a digital twin in a North Carolina plant with Unilever, you probably got more deodorant. Kidding aside, we did deploy a digital twin and that effectively is looking at line stoppages. And how can we drive a 95% reduction in line stoppages on our deodorant line? How do we drive improvement in capacity of 10% on existing assets and how do we reduce the waste by 20% as one example? We have other examples with mayonnaise. You'll be happy to know that you get really good consistent mayonnaise as well using a digital twin. I use those examples a little bit jokingly to bring it home. But the reality is we're working with clients to deploy AI on the shop floor to optimize their production lines, both for cost and safety, but also for throughput and growth.

And then the last example is then the hottest topic besides OT, of course, and besides AI and all these other things, is really physical AI. One of the latest things that we are helping our clients figure out how they move things with robots and other capabilities and one of the challenges with doing physical AI, is that often to deploy it you have to stop production. We don't like to stop production. If you go into a warehouse, we're talking millions of packages that are running 24/7 to go out the doors. So we partnered with a company called KION, who is a leading provider of software and warehouse optimization, to simulate, to do a physical replica of a thing like this room, to then simulate thousands of scenarios exactly as it was built to train robots and models to be able to figure out how that's going to work with humans on a shop floor.

And then, once we have the right layout, the right setting and the right design, then we go deploy it right in the facilities. That is the future of physical AI and where things are going, doing things before they physically get put in. So those are just some examples. And our clients, frankly need help. This is messy, it's complex, it's mission critical for sure. And now, they're looking and saying, how do we help people? How do we help our people on the shop floor go on this journey and how do we help them transform with data, AI and cyber in a very fragmented and critical set of operations?

Manish Sharma

I want to just link what Tracey just mentioned to the graphics we were showing earlier. \$300 million grown to \$1.9 billion, 55% compounding rate of growth. That is why it is like so exciting. Thanks for sharing. Now Lan, I'm going to end this conversation with you. Everyone here, we get new models coming out, there's open weight models coming out. What is so much confusion around this and people are -- you explained how we make it work but tell us a bit more about the model's selection and the open-weight model. What does the clients need?

Lan Guan

Absolutely. So it's really hard for me to follow the race car example, the airplane example. I don't know what I'm doing here, but to me, Manish, this is pretty straightforward. I think the logic is these models are a super powerful, but they are not easy to use. So what we are seeing is companies not getting value and they pull back. So, our job is to put those models to work so the business get value and also model partners that you and I work with every day, they get consumption. So, Manish, you and I seen this in the earlier days with cloud. Companies were signing up very large, significant consumption commit, but buying capacity is only the beginning.

So, we were the ones who actually helped them move the application, connect the data, change the way they operate it so that those spend commit actually turn into productive use. So, we're seeing this again with AI. Same logic, when companies are not getting value they retract from their AI investment and our model partners are not getting consumption. So that is the dilemma. How do we get them unstuck? Three things. First, we make model work. We work with lots of model companies to build repeatable industry solutions and we also help clients build all kinds of harnesses and supporting infrastructure to make the model work so our business clients get value.

Second, we help companies select the right model for the right work so that the total consumption will go up. If I ask five people here, what are your favorite models? I will likely get 50 different answers because there are hundreds of models and new models are coming out every week. So, in fact, Manish the tokenomics research that you and I did a couple months ago actually proved that there's only 10% to 20% of the enterprise workflow justify the use of the frontier model capabilities. So many companies just started realizing that not every model, every workflow deserves the most expensive model. So that is the work that we are helping them with by selecting the right model for the right work so that they get value and then our model partners would get consumption. Third, we also work with companies to utilize open-weight models so that they can have better control over their data.

Also, as you know, we just a few weeks ago, we launched our full life cycle services of helping companies onboard, manage and run open-weight models, in their secure environments. Yes you heard it right, full life cycle services. So this will give companies many more options for them to use the models that they want. And this is even more critical in regulated industries such as healthcare and banking because they cannot leak their data. And also the cost of managing their data model is extremely critical and

regulatory compliance is non-negotiable.

So we got too excited about talking about models here. But as a veteran in this business, I've been doing this for 20 something years, I cannot have the thought of a better and more exciting time. And thrilled to be leading this business. And as Julie mentioned earlier, AI is the tailwind to our business and I firmly believe in it.

Manish Sharma

Thank you. I think, always good to chat. And when, when she says we did the tokenomics paper, she did it. She and her incredible team, I think they kind of did it. I think just wanted to kind of end this with kind of saying that we see a massive opportunity. We see a lot of white space and everything that we do. We see millions of hours of work that work that needs to be done in deploying some of the technologies that we have just been talking about. I think, again, the model for us is the same, which is identify the opportunities early, invest, build organically, acquire and kind of scale with the Accenture's power. But that's kind of what you got from the team here. But thank you for listening and thank you for the discussion. I think we will continue the discussions over lunch, but now it's back to Julie.

The Markets & Clients We Served

John Walsh

Good morning, everybody. My name is John Walsh. I am CEO for the Americas. It was really great to hear from all of our ecosystem partners. I'm joined by my good friend Mauro Macchi, who is the CEO of EMEA. And as you might imagine, Mauro and I talk almost every day as we coordinate with all of our global clients. And as much as I wish the best for my good friend Mauro and his team in Europe, I'm always wishing Americas does just a little bit better.

Mauro Macchi

Thank you, John and well, I can also say that I share this competitive spirit all the time with you, but I really enjoy it and it's great to be here. So as Julie laid out our new foundation for growth and also Manish a few minutes ago showed you what our reinvention partners bring to markets. Now, John and I will take you to the client level. So we really want to focus on the demand environment in our two largest markets, how we build relationships and serve our clients and the white spaces that we see. And I believe that we come at this from different vantage points. So John, you and I talk to CEOs all the time. What is one thing you keep hearing?

John Walsh

If there's one thing that we're consistently hearing from CEOs, it's that right now the cost of standing still is greater than the cost to change, and that's in spite of the fact that our

clients are operating in one of the most complex environments we've seen in decades — geopolitical conflict, changing trade relationships, rising sovereignty requirements and a higher cost of capital is reshaping how companies invest and operate. Supply chains are being reconfigured as you heard from Tracey, and cyber and OT have become board-level priorities. Every major investment right now is facing greater scrutiny for ROI. And at the same time, AI is creating extraordinary opportunity for growth and productivity. Across the Americas, we're seeing this translate into investment around five major themes. And I mentioned these because these are not short-term initiatives.

These are cyclical spending or cyclical spending priorities. These are like long-term structural investment cycles that we expect enterprises and governments to invest in for the next decade and beyond. Together, they represent hundreds of billions of dollars of technology operations and transformational spending initiatives. I highlight them because as you heard from the panel today, Accenture really sits at the intersection of all five AI-powered reinvention to drive both growth and productivity. This is where the enterprise AI stack that you heard Lan and Manish talk about plays such a critical role. Reindustrialization here in the U.S., everybody knows that's a huge priority. And supply chain resilience, as Tracey talked about, absolutely critical. AI, infrastructure and energy: we're involved in both the build of the data centers as well as the energy infrastructure, and you heard from Rob about securing it with OT. And then cost and productivity transformation, and cyber, of course. As you heard from Manish earlier, these are the exact areas that we're investing in to grow our core business and our network. And while these themes might manifest differently across different industries, geographies and clients, one thing is consistent. CEOs recognize that the combination of AI and new technology represents a once-in-a-generation opportunity, which is putting them under enormous pressure to act.

Mauro Macchi

John, these are the same trends. These trends are also very important across Europe. And I think particularly as our clients really struggle with longstanding challenges like, that we've been knowing for many years: slower productivity growth, higher energy cost, fragmented costs, fragmented markets and slower adoption of technologies such as cloud and AI. You remember the slide that Manish showed a few minutes ago about the cloud 72% of further potential, this is particularly true across Europe. So those pressures are creating a new urgency to invest and I see this every day. So, we see a big movement around modernization of Europe's infrastructure and industrial base, with energy becoming a critical topic and public services becoming more efficient.

So, talking about Europe, I like to draw your attention to three major forces that are really shaping investments: sovereignty, defense, and security. And allow me to start with sovereignty. This has become central to the strategy of many of our largest public and private sector clients. More than 60% of European organizations today actively seek for sovereign AI solutions. And this is because they're making fundamental choices and fundamental decisions about where the data resides, how AI is going to be governed, which technologies they will use, and especially how they can have greater control over critical capabilities.

And it is clear that Europe's AI advantage will not come from outspending other markets, but it will come from putting its own strength to work, like its deep industrial data and expertise in regulated industries. So, they need the right data and the right partners who can help them navigate both global technological systems and European providers. And that is why we are actively working across the full spectrum of our ecosystem. It was great again to see all these videos with all the leaders. And we work with their teams on a daily basis.

And we work with hyperscalers, but we also work with the European-native players such as, for example, Mistral. And this is one of the new AI partnerships that Julie mentioned early on. And we really help clients to make choices, make decisions. Because they need to find the right balance between sovereignty between resiliency and access to global innovation. So, this was sovereignty. The second force is defense. It's clear that Europe military capabilities and need to adapt to the current geopolitics, and we see that there is an acceleration to close the gap to modernize the technology infrastructure and manufacturing.

As defense spending increases, the focus is increasingly shifting from equipment alone to the technology, the data and operational capabilities. So, this is also required for these players to deliver readiness and resilience.

For Accenture, this creates a lot of opportunities across the entire value chain: modernizing the digital infrastructure, securing critical systems, transforming engineering and manufacturing operations, strengthen the supply chains, and helping defense organization to adopt AI responsibly at scale.

After sovereignty and defense, the third topic is security. Security extends well beyond defense. Clearly regulatory requirements, geopolitical tensions and a growing number of cyber threats are now driving major investments in cyber resilience, and this creates a lot of large opportunities for transformation.

At the same time, we heard earlier on, protecting operational technology in critical infrastructure is becoming a top priority across all the industries. So, John, the urgency to invest differs by markets. Europe is focused on scaling AI responsibly. In the Middle East, you see clients that are using it to leapfrog older technologies and diversify their economy. So, in all of our markets, this combination of traditional modernization and new technology adoption creates a very broad opportunity for Accenture. But at the end, the underlying imperative is the same. Our clients need to reinvent, and they need help turning ambition into execution.

And that is where knowing the client really matters. You need to understand not just the technology; you need to understand the client's strategy. You need to understand the industry in which it operates. I'm glad that I saw in all the videos of the ecosystem leaders talking about industry depth. We need to understand the core processes. We need to understand how the enterprise really operates on a day-by-day basis. This is going to be extremely important and it's a great potential for us to develop in this context. John, does this resonate?

John Walsh

It absolutely resonates with me. And it brings me to what I wanted to talk about next, which is how do we grow our client relationships and how do they compound over time? As Julie said in her opening, 85% of our top 200 commercial clients have been clients of ours for 20 years or more. Our client model starts with our client account leads, and we believe our client account leads are the best in the business. These are senior leaders who live and breathe every day inside of our clients' businesses. They earn a seat at the table after years of successfully delivering results at those clients. That work builds trust in deep, deep knowledge of the company. Their job is to bring in the reinvention services capabilities that Manish talked about this morning, as well as our ecosystem partners to really solve any business challenge that our clients have and to help them drive growth. You heard from Stéphane at Estée Lauder this morning around how this works and our client account leads.

The first thing that they do is start with our client's strategy and from there they determine what needs to change. We use data-driven analysis with our clients to help them understand the costs and the benefits of different transformation opportunities so that our clients can prioritize what creates the most value. The second thing that we do is we really help modernize the technology and the data foundations underneath the business. Like this is something you heard Lan talk about with the enterprise AI stack and what a critical role that plays in helping to do that. And you have to recognize that when we engage with these large enterprises, we're generally dealing with decades of accumulated tech and process complexity, and the stakes are particularly high. Rob talked a little bit about it, but if you just think about it's mission-critical transactions in the infrastructure space certainly, but financial transactions, healthcare records, personal information often in regulated environments where reliability and security are absolutely essential. So moving pragmatically is not like a sign of weakness or a lack of appetite on the part of these clients. It's really responsible leadership.

So, scaling AI to drive sustainable competitive advantage is absolutely possible in these environments, but there is no easy button to do it given the level of complexity. So, once we've looked at that, we then begin the process of redesigning the enterprise processes and operating models. Again, this is not easy work. It's complex, it's time-consuming as the technology alone does not create the value. Organizations have to adopt the technology and then fundamentally change the way the work is performed to get the value. And then we work with our clients to deploy the changes at scale while helping their employees adopt the new ways of working. We do this through a combination of our consulting and managed services capabilities. So let me give you an example of how this works in practice at Dell, which is a client that I spend a lot of time with. And as you might imagine, Dell has been a client and a partner of Accenture's for many years. But with the rise of AI, our relationship has become more strategic than ever. What makes Dell unique is that for us, there are three things at once, like we call it a 360 relationship. So, they're a key go-to-market partner. We work with them extensively in private and sovereign AI environments, as Mauro described. They're a critical supplier to Accenture where their products actually power our business.

And then, finally, they're a key client where we work with them to use these technologies

to reinvent their own business. So, if I start with the reinventing, a few years ago Dell launched an enterprise modernization program focused on increasing automation, intelligence, and speed across the enterprise. We started with a focused data transformation, consolidating fragmented data environments across the breadth of Dell into a unified data platform, which created the single source of truth. That foundation we put in place was critical and it gave Dell the ability to run their business with real time visibility into operations, supply chain performance, customer demand and ongoing decision-making, fundamentally changing the way they were able to run the business. That success built trust and opened the door to the next phase of reinvention. And today we're helping Dell scale AI across every part of the enterprise.

At the same time as we were doing that, we also expanded our go-to-market relationship through the Accenture Dell Business Group. This is where we help governments and enterprises around the world deploy private and sovereign AI infrastructure in order to support their futures. And the results speak for themselves. Over the last three years, our Dell 360 relationship has more than doubled on each of the three dimensions. And Dell isn't unique. Many of our strongest client relationships follow the same pattern, which is how our relationships compound overtime.

Mauro Macchi

I think this is the key point about building a client relationship, John, over time. And that progression is important. It's very important because we understand what AI means for our business. It makes us more efficient and gives us a significant upside. In other words, those efficiencies create the capacity to do more. I see this every day: a client might start by asking us to take cost out of an existing operation. The savings then can help fund something that they wanted to do but could not afford in the past. So, for example, modernize another system, improve customer service, and build a new capability.

So that is a big part of how we expect to grow in an AI-enabled world. So, create productivity, reinvest with our clients, expand the relationship, and reinvent again.

And for example, we've seen this with one of our global life sciences clients. I am an executive sponsor, proud executive sponsor of where over more than 10 years, our presence has been consistent, and that has allowed us to work across the entire enterprise. We started with the research and development program in the business unit. We create a success, and success created trust. And that enabled us to expand well beyond the original scope in other business units and in Europe, then worldwide.

So, we've been with this client through many technology cycles. And when GenAI emerged a few years ago, we decided to invest and bring it into our managed services, reviewing our contracts and our commitments, and share the value with the client. And that created further trust to expand across other parts of the organization, and the productivity gains helped fund a broader multi-year reinvention across commercial operations, manufacturing and R&D. So today together we are helping accelerate trials, reducing time to market for some of the most important and impactful medicines and therapies of our time with beneficial outcomes for treatment and recovery. So, AI gave us efficiencies in how we serve the client, but it created even more opportunity for us to

expand. And this is what I think you see many of our clients.

John Walsh

And Mauro, I think we've demonstrated that compounding model over decades. We now have over 317 Diamond clients globally. These are our biggest relationships, and they're by no means transactional. The trust and depth of technical and functional understanding and our industry expertise is very, very difficult to replicate, which is why I have confidence that there is a lot of opportunity for us to continue to grow in our existing large enterprise clients, but there's also a significant amount of white space across the board. At the same time, emerging large enterprise and mid-market represent one of the largest growth opportunities that we see in the Americas and I think this is true globally.

Mauro Macchi

I agree that this is true globally. And if I speak about Europe, specifically, these companies, these segments are the backbone of the economy. And they face many challenges, many of the same challenges as the larger enterprise but with less access to capital and skills. So, our ambition is to bring them solutions that are ready to deploy, faster to implement and tailored to their needs. So our client strategy is simple, combine our industry-led approach with our ecosystem-led model to scale repeatable solutions and serve a much broader client base. So, I think for all these reasons, we are really very well positioned to win. And these are many of the considerations we share today that give us the strength and the confidence. Because we understand the clients' environments, we understand the technology and we are the bridge between the two.

Now, I will invite back Julie for a conversation with Simon Roberts, the Sainsbury's CEO, to bring to life our long-standing strategic partnership. So, Julie, to you.

Client Spotlight: Fireside Chat with Sainsbury's

Julie Sweet

Thank you. All right. Well, Simon is joining us live from London. This is when all the tech guys in the room are like, "Please, make it work," So I'm really excited to have Simon join us. I'll wait until he comes on camera. Hi, Simon.

Simon Roberts

Hello, Julie.

Simon Roberts

Hi, Julie. Good to see you. All the technology is working good from here in London. Good

afternoon, everybody.

Julie Sweet

Great. I'm highly relieved. Simon and I became CEOs within a few months of each other. And I've had the privilege of getting to personally sponsor our work at Sainsbury's from the beginning, back in 2020. And I've gotten to see what Simon's done up close, which is pretty amazing. He's had a really huge impact. He and his team, a very clear strategy. They've moved at a very fast pace. And so we feel very privileged to be a part of Simon's strategy, and I personally feel really privileged because it's been just fantastic to work with Simon. So Simon, thank you again for joining us. And because we do have a global audience, not everybody may know about Sainsbury's and your strategy. So I thought we could just start there, and you can talk to us a little bit about who Sainsbury's -- what Sainsbury's is -- and the strategy you've been driving.

Simon Roberts

Julie, thank you and really great to be joining you this afternoon. And look, thanks for the introduction. I -- just a headline. So Sainsbury's is the second in the market here in the UK in grocery. We've been serving customers actually since 1869. And obviously we work in a very intensely competitive industry just as the same across the world in grocery, in food retailing. And so we've been really focused on how we make sure we deliver for our customers a really differentiated experience. And to do that to what we are just hearing, making sure we create the efficiencies, and the capacity as Mauro was just saying and I was hearing to actually be able to achieve more. And so we've got a plan really to make sure that we deliver for customers more reasons to shop with Sainsbury's, and putting Food First in our business is absolutely front and center, making sure we're creating the technology road map to really drive the change we need. And that's what we call our saving investor win plan. And then putting personalization and what we call Nectar, which we'll come back to, Julie, right at the heart of how we connect with customers. And we're about six years into our turnaround plan now. And look, we've made some progress, but I'm sure as everyone in the room will be reflecting today, there's just so much more opportunity as we look ahead. And that's, I think really all about this conversation, which is how we partner together to find the solutions to really unlock that value.

Julie Sweet

Well, thanks Simon. One of the things that's been so important is that our partnership began in one place and then has grown as your strategy has grown and evolved. And so, maybe you can talk a little bit about the scope of our partnership and the role we've played as you've evolved your strategy and kind of moved from one success to the next success as you've driven this change.

Simon Roberts

Julie, look, it's such an important point, and I think just picking up on the previous conversation I was listening into, I think this is absolutely been a really clear example of

our strategy and our relationship with Accenture working hand-in-hand. We've worked, haven't we, from a kind of services supports partner to now a real enabler of business transformation. And that's what I feel really excited about. We've really shifted up the way our teams are working together. We've become much more about trust, transparency, partnership, much less transactional, and we've got I think real alignment on the strategic outcomes we are looking to achieve. We're just coming to the end of our kind of current three-year plan, which has been all about putting food front and center in our business, and we're now imagining the next three to five years. And I just see that partnership mindset really thinking about how our teams are coming together to imagine the possibilities and the value really stepping up. And I think you know it's not just about cost. I think the big thing that we certainly feel in our business in the way we're working, it's about building capabilities and building that continuous improvement. And more and more our teams are talking about how Accenture are helping us unlock that so we can build that capacity, we can build that new vanguard of capability, and that's giving us real confidence as we look ahead.

Julie Sweet

And so, Simon, we started with managed services, we started building your technology backbone, we expanded the different functions that we were doing managed services and now super exciting and our next extension of our partnership, what we're going to be doing in AI and helping you use it to drive growth. Maybe just talk a little bit about the business outcomes that we've delivered together because it is together. This is a real team. And so, just to get a flavor of like what we've already done. And then we'll talk about kind of where we're going.

Simon Roberts

Yeah, super clear, Julie. Look, I think, if I reflect on our partnership and how we work together, I really kind of think about the pyramid, which is we're really leaning in with each other -- kind of 45 degree to understand the shared outcomes that we want to achieve. And that means, from our business and our teams, we've got to be really open and clear with your teams about what it is we need to achieve. And also, let's be honest, facing into the change we need to accelerate. And so when I think about the outcomes, there are many that have just improved the way the business works today. We employ 140,000 colleagues right across Sainsbury's here in the UK, and the work we've been doing and some of our HR self-service, for example, has just unleashed a totally new efficiency and friction-free environment for our people. We're working right now on a complete re-platform of our core commercial capabilities in the business. It's not right at the heart of a grocery business. How does the commercial function work? And it's the work the teams have been doing to really deliver that big ERP change. It's just coming through really strongly.

And then as I think about how we're looking at the way grocery stores have been working, need to work, need to accelerate the change that's happening in there. It's just a really kind of joined up mindset about what is it to deliver a really differentiated customer experience. What is it to create more capacity in our operating model? How do we need to rewrite our processes such that we can become the first choice of food here

in the UK? And look, I'm just to everyone there in New York, we feel pretty ambitious and pretty excited actually about what we can do. We think we've come quite a long way over the last period of time. But as we all know, there's just such an imperative to accelerate the pace of change and to make sure we take our colleagues and our customers with us as we do that. And so right at the heart of this partnership, as I say, it's about, becoming more efficient, but it's about unlocking that capacity, that capability, that confidence to really drive forward.

Julie Sweet

And Simon, part of what we've been able to do is use AI to actually give you more productivity and more efficiency, which you're then reinvesting in the business. And we're excited that we've just extended our partnership to 2033. Is there anything specifically like that you're most excited and what we're going to do in this next chapter? And then I'll get to our last question.

Simon Roberts

Julie, it's a such a good question. And look, I'm really conscious because we're going to be updating our kind of investor audience in a couple of weeks time. So I'll talk a little bit about some of the things that we're working on. But also just to kind of, really sort of reflect the fact that this is a very focused program on this year, the next couple of years, but honestly the next decade. And we're feeling very, very engaged in the long-term partnership that we've built together because, when we think about as I say customer experience in this industry, customers are going to be expecting businesses like the one I'm part of to really change and adapt more quickly as people want to shop differently, they want to engage in the physical experience in store differently, they want to be able to shop online, and on demand more quickly, they want different recommendations of the kind of food products they want to buy. And so we're really thinking about how we're going to get in front of that curve and giving ultimately our customers more reasons to shop with Sainsbury's. Now what's this all about in the end? It's about creating competitive points of difference that we can stand really a part in what is a very competitive industry, and the work we're doing together, and we've now started to map out for the next kind of 3, 5 and 10 years. I think it's going to really face into how does AI unlock not just efficiency and cost, but in my mind a real gear shift in the customer experience. And that's what I feel together, we're really excited about because it's about improving the way we serve millions of customers every day.

And in an industry, and we're serving 20 million, 25 million customers a week. It's a lot of people to have a more positive impact on than we can with today's capabilities. And so, when we look ahead, the kind of thought leadership, the capacity we're building in our partnership, and the way we're starting to imagine that. I would just pull up actually, Julie, we had a fantastic experience in India and a midway point of last year when I just felt the whole ambition of what we could do together really step up. And it was -- one of those shared experiences when you're kind of staring at the opportunity, but you're also facing into the challenges that are out there in the market and really working out together how you're going to unlock that. And that's why, as we both know together with our teams, we've committed to this partnership because we really want to become the

first choice of food here in the UK with our customers, and this is going to really underpin that.

Julie Sweet

Well, great. Maybe just as a final wrap up in your words, why have you chosen Accenture for all these years?

Simon Roberts

Yeah. Well, look, I think right at the heart of this conversation, and we've discussed this many times over, is about trust, isn't it? It's about trust and commitment and credibility to drive powerful change. And I think about a retail business, retail businesses across the world, they involve thousands of decisions every day that affect customers and stores and colleagues and range and promotions and pricing and the way our supply chains work. And so, at the heart of this, we're very excited to partner with you to create the next generation of how the retail operating model, the grocery operating model is going to work and to unlock those solutions together powered by technology. Now we look at this opportunity as a challenging one, but one we're really engaged with because you can see the flywheel effect, which is we create the capabilities, we create the capacity. That means we can invest in a way that drives the returns our shareholders expect. And that in of itself creates the competitive advantage that is so at the core of winning in this industry and ultimately of serving customers every day. So that trusted partnership, Julie, thank you for all that's happened to get us to this point, and we're really excited as we take it forward into the next exciting chapter.

Julie Sweet

Well, Simon, thank you for allowing us to be part of this journey. We feel really grateful and appreciative. Thanks for joining us from London, and I look forward to seeing you in London soon. Thank you. Take care.

Simon Roberts

See you soon, Julie. Thanks everybody.

Our Talent Strategy

Julie Sweet

So as they're bringing on another chair, I'm going to be joined by our Chief Leadership and Human Resources Officer. One of the things I hope that you've noticed is that every one of the leaders you're hearing from is working directly with clients. This is such an important part of our model. We stay on top of trends. We're close to our clients from the very top to the very bottom. Because clients are at the center of everything we do,

and the only way to serve clients in that way is, in fact, to be at clients. So it's an exciting part of our model. Our leaders at Accenture get the most energy when they're together with their clients. So, Kate, can you please come join us?

So, Kate might say she has the best job at Accenture because she gets to work with our people. And you've heard a lot about our people from our various clients and our great talent. But I'm going to start with the number one question I get, which is: why do you have still so many people in the age of AI?

So, Kate, over to you.

Kate Clifford

Oh, well, Thanks, Julie. And the question I get is “you have so many people and, are you going to continue to grow our headcount? As you already have 800,000 amazing Reinventors across the world”. And the answer is, yes. I do expect that we're going to continue to grow our headcount. You heard from Manish and I think he even bookended with we're going to double our TAM or we have doubled our TAM. And with that incredible growth, we will need incredible people.

And my job is to ensure that we are always fulfilling our client demand, that we have the right talent at the right time to meet that demand. And I really think about it in three ways. First is our core. We will continue to add in our core and that includes entry level talent. We will also continue to add talent in our new businesses. You heard from Rob, you heard from Marc, Accenture Construct with Tracey. Those are brand new businesses, brand new jobs, and we will add talent to fulfill that incredible double-digit demand. And then finally, as we acquire new companies, we'll bring on that talent as well. But we will continue to manage our supply and demand with the rigor that we have. You talked about in your opening 93% utilization in Q4. And we've been running in the low 90s for the last 23 quarters, and we will continue that same rigor over our future.

Now, I do expect that we'll slow the pace of bringing in talent a bit, but we will always have the talent that we need to fulfill our demand.

Julie Sweet

So let's talk a little bit about the new jobs that are being created, both the jobs in the new businesses, you've talked about Tracey, but how about the new jobs in the core business? And how we're preparing people for those jobs?

Kate Clifford

Yeah, it's a great question because I do also believe—in addition to bringing on the talent to fulfill our client's need—my job is to create the workforce of the future. I was reading something from the WEF a while back that said that there's going to be 170 million new roles in the next five years due to AI. And don't worry, I'm not creating 170 million new roles, but we are going to systematically change our jobs. We are re-architecting the jobs for everyone who works at Accenture, and it's really anchored in four key skills. It

starts with data and AI. We expect every single one of our Reinventors to have a data and AI foundation. Industry skills and that's the industries of our clients. So, whether it's banking or retail or life sciences or the industry of clients, functional skills, so whether that's HR or finance, sales, marketing, they deeply need to understand the functional work they're doing for our clients.

And then finally, our technology ecosystem. And we're architecting new jobs with those four skills as the foundation. Now, the depth of the skill will change based on the work that our people do every day. But our competitive advantage is that people will have skills across all four. And we have a long history of investing and learning. You've talked about it before we invest \$1 billion in learning. How we spend that money changes. We change and evolve where we spend those dollars. So, for example, we've spent a lot of time talking today about ecosystem partners. We have over 134,000 unique certifications across our AI and data ecosystem partners.

Julie Sweet

And one of our aspirations is to be really seen as the elite university among corporates, because the skills are changing so much that we have to like really, really keep up for them, with them. And so, how do you think about how we're doing the skilling and how you're giving, sort of taking the skilling and then creating these new jobs? And maybe give an example of how we've gone from new job to skilling and what that looks like?

Kate Clifford

Yeah, I'm happy to. And I again, I think about it two ways. There's brand new jobs. I'll talk about an example of that. And then we also have jobs that aren't brand new, like we've had them for a while, but they're really changing. And so, an example of a brand new job and you heard it in some of the videos this morning, is this forward deployed engineer, this FDE. And 18 months ago we didn't have any FDEs at Accenture. It's a brand-new job not only for us, but it's a brand-new job in the market. And that job is -- I think about it -- it's the intersection of a software engineer, a solution architect, a product manager, and a consultant, all wrapped up into one, who's solving real client problems to drive business outcomes. Again, a brand-new job. And whenever we have a new job, I always go out and scan the market. Okay, we've got this new work, how am I going to go hire for this brand-new talent? And when I went out and scanned the market, I saw there was not that many people who had this skill set. I think it was like roughly 2,000 across the market that had this skill. So, we knew we had to build it.

So, to your point, how did we build these skills? And we partnered really closely with Lan and with Marc, who you heard from earlier to build a 14-week program that takes a software engineer and makes them into or upskills them to become a forward deployed engineer. And in that 14 weeks, it's not just training, it's real practical application of those skills in a client environment. It's hackathons, and it culminates in a certification. So, we don't call someone a forward deployed engineer unless they have a certification in one of our AI and data partners. So, that's a brand-new job.

Another example is just jobs that are changing. You heard from Tracey earlier, she talked

about supply chain and engineering. And I think about a supply chain process consultant. A supply chain process consultant used to spend time process mapping, and they were really deep in the function, but that was really where it stopped. And so, we're now focused on upskilling those process people to understand robotics, to understand physical AI—work that they haven't had to do before because it's not just about mapping out the process. It's really re architecting the work.

Julie Sweet

Now, we're very proud that we are Number 4 on the Great Place to Work global ranking, which is cross industry. Can you talk a little bit about why it's so important and why we look at that metric?

Kate Clifford

Yeah, I'm also very proud. And one of the reasons I'm very proud is because that's directly from the voice of all of our people. That's not something we can apply for. That comes on feedback from our global Reinventors, and we hear the things that they love about working here, and the things that we need to work on. And then we welcome both of those things so that we can continue to take action to be the Number 4 and even better than Number 4. But the reason that we should care about it is really two things. One, it drives real outcomes. Engaged teams drive higher profitability. Engaged teams are better with clients, and our clients tell us this through their NPS scores. We see client scores come in 8 points higher with engaged teams. And then leaders are 2x less likely to leave if they're engaged. And if they're engaged, they're engaging their teams. So, there's real outcomes that matter when it comes to engagement.

And then second, I talked about being out in the market and attracting new talent. As I'm talking to candidates, whether they're very senior or junior, they often proactively bring this up to me. I say, “why did you pick up the phone? Accenture called, why did you pick up the phone?” And they will say, “I want to work at a great place to work. I want to work in your culture.”

Julie Sweet

Well, now it's not a competition, but there's a little bit of competition at Accenture for who gets the resources to embed AI first. And, as you can imagine, with over 800,000 people, our talent supply chain, there's a lot of value. And so you have been one of the leaders in using AI to deliver business outcomes for Accenture. So, as a final question, why don't we just wrap up with a little bit about how we're our own best credential, and you're leading the way?

Kate Clifford

Well, thank you for that. And we are our own best credential. What we're out doing with our clients, we have to experience ourselves. And oftentimes we are architecting it with our practitioners together. And what Julie is referring to is what we've done in recruiting, where we've changed. We call it frictionless recruiting, which is really our agentic

recruiting solution. And it started from a place that we knew our recruiters needed to spend time with candidates, they needed to spend time sourcing. But where they were actually spending their time was scheduling interviews, where they were actually spending their time was typing information into a system. And so we put in an agentic recruiting solution where agents now do all the interview scheduling. Agents can screen a resume. We have assessments that deeply understand the skills of the candidates to help that process move much, much faster. Now, a human always makes a hiring decision. A hiring manager always makes a hiring decision. But the agentic process has allowed us to reduce our time to fill by 28% and improve candidate quality by 30%. Now those are real outcomes. And so it allows our recruiters to spend more time outsourcing. It allows them to spend more time helping candidates navigate this process. And it's allowed us to increase our time to productivity. So, it used to take six months for an entry level higher to become productive, now it's six weeks, which is five more months of revenue for you, Julie.

Julie Sweet

Yes. Well, thank you, Kate. We're very fortunate to have you leading our leadership in HR function.

Financial Overview & Outlook

Angie Park

Hi everyone. Angie Park, CFO of Accenture. We're going to bring it home. Ready?

It's a good day. All right. So you've heard today about our strategy where the growth is coming from and how we have positioned Accenture for sustained long term growth. My job is to show you the financial blueprint.

I'll walk you through three things today. What we've delivered. Second, where we are going. And third, how are we going to get there?

So, let me start with what we've delivered in '26. In FY26, we achieved or exceeded every measure of our guidance that we provided at the beginning of the year. Revenue was \$74.2 billion, up 5% in local currency, adding \$4.5 billion of incremental revenue. Our adjusted operating margin expanded 20 basis points.

Our EPs grew 8% to \$13.97. Free cash flow was \$11.6 billion, a 1.4 free cash flow to net income ratio. And we returned \$11.5 billion of cash to shareholders.

And at the same time, we deployed \$4.9 billion across 17 acquisitions, and we invested over \$3 billion in operating investments, R&D, learning and acquisition related costs. Now, taking a step back over the last four years, you heard Julie mentioned, we added \$12.6 billion of revenue. We expanded our operating margin 60 basis points. Our adjusted EPs grew at a 7% CGAR.

We invested \$13 billion in our business, and we deployed approximately \$19 billion in acquisitions, which includes the capital related to the cyber OT transactions that we closed in September. And we returned \$35 billion of cash to our shareholders. So, we grew the business, we expanded margins, we invested at scale, and we returned significant capital to our shareholders. This is the financial model that we have successfully executed over and over again.

So, turning to where we are going. As Julie mentioned, we have three financial ambitions.

First is growth. Our ambition is to deliver at least mid-single digit constant currency revenue growth in FY27 and in FY28. And to step up our growth trajectory to mid to high-single digits beginning in FY29. And remember, this ambition takes into account that we will be absorbing AI efficiencies while delivering that growth. At the midpoint of the range for FY27, our implied organic constant currency growth is approximately 2% to 2.5%, and at the top end of the range, it's 3.5% to 4%.

Second, sustainable margin expansion. So we expect to expand our operating margin 10 to 30 basis points per year in '27, '28 and '29, while absorbing significant investments in our business and our people. And over this time period, we will use our efficiencies from AI enabled productivity in three ways: passing value to clients, reinvesting the majority of what we retain into growth, and continuing to expand operating margin every year. We believe that that is the right balance for long-term shareholder value creation.

Third, disciplined capital allocation. So our business consistently generates strong cash flow. This matters because it gives us the ability to significantly invest in our business and our people, both organically and inorganically, and return cash to shareholders. So through FY29, what we expect to do is to maintain a free cash flow to net income ratio of at least 1.1, grow our dividend with a payout ratio in the mid to high 40s as a percentage of prior year net income. We're going to repurchase more shares than we issue. And of course, we will invest in our business organically and through acquisitions that are ultimately to fuel organic growth.

So let's now talk about the financial model that gets us there. So, our financial model has three components. You know it: revenue growth, margin expansion, [and] disciplined investment and capital allocation.

So let's start with revenue growth. So you've heard today how our strategy positions us to capture the significant opportunities that we see ahead, and our path for stepping up growth in FY29. I do want to highlight one strength. As you think about our financial resilience over decades. We have a broad and diverse business. We operate at scale across three geographic markets and in 13 industries, and we have a balanced business across consulting and managed services.

You heard today about our new growth model, seven Reinvention Partners, our new network of businesses and the expansion into the mid-market: all strategic moves that both position us for more growth and strengthen our base. This diversity has allowed us

to perform through different market cycles and gives us the confidence in our long-term growth ambition.

The next component of our financial model is margin expansion. So our model is designed to do two things: create investment capacity and expand margins at the same time. Four levers, four things that we look at.

First, pricing and contract profitability. We define pricing as the contract profitability or the margin on the work that we sell. Our focus is to maintain and improve pricing, and it can fluctuate based upon several factors: the competitive intensity, the mix of work that we sell, and the size of our deals. Our FY27 operating margin expansion, it reflects continued competitive intensity, and we work to maintain attractive contract economics.

Second, how we deliver. So, of course AI is making our delivery model more productive. In FY26, our revenue per person increased approximately 5%, which was in part due to the efficiencies in how we deliver our services. We measure this on a rolling four quarter basis, with revenue adjusted for FX, using our average quarterly headcount, and it excludes subcontractors whose contribution has been consistent. As Kate mentioned earlier, we don't expect to grow our revenue headcount at the same pace as we have historically. And our goal is for revenue per person to improve again in FY27, growing our revenue faster than our headcount.

Third, how we run Accenture. So, over the last four years, we have reduced the cost of our corporate functions as a percentage of revenue by more than 200 basis points. And we've reinvested those savings. We will continue to deploy AI across our enterprise, reducing costs so that we can reinvest in the business. So, let me give you an example: contract to cash. This process spans legal, sales, and finance. And it touches 9,000 clients, 60,000 contracts, 900,000 invoices. We're reinventing this process end-to-end using an Agentic solution—from contract review to sales bookings, to billings and ultimately to collections. We expect it's going to create significant value over time, including freeing up capacity. And the financial point is simple: productivity creates capacity, capacity funds growth.

Fourth, supply and demand management. Julie and Kate talked about this earlier today, 93% utilization rates. It creates operating leverage. So we're deploying advanced AI and reinventing processes to both better match our skills and capacity with demand and to shorten recruiting times.

Together these four levers, they create the capacity to invest in our business and expand margins.

So let me turn to the last component of our financial model, which is disciplined capital allocation. As you know, it begins with strong cash flow.

For FY27, we expect our free cash flow of about \$11.0 to \$11.8 billion, representing a free cash flow to net income [ratio] of 1.2 to 1.3. And we expect to return \$9.5 billion to our shareholders, which represents 75% of our operating cash flow. This includes a 5%

increase in our dividend per share and \$5.5 billion in share repurchases. We do expect that this will reduce our weighted average share count by approximately 3%, which is a meaningful driver of our EPS growth. And we are evolving our mix towards share repurchases because they support EPS, and they give us more flexibility in the context of the current valuation environment.

We'll also continue to operate within clear balance sheet guardrails. So we intend to maintain strong investment grade credit ratings and gross leverage below two times. In addition to the roughly \$3 billion for our cyber OT acquisitions, we do expect to deploy an additional \$5 billion in acquisitions in FY27. And at that level, we expect gross leverage to be about 1 turn well within our guardrails. And as always, if we see the opportunities to do more, we can. So our strong cash flow supports both parts of our capital allocation strategy, returning cash to shareholders and investing in future growth.

So I want to spend a moment on the second piece, because acquisitions are an important part of accelerating our strategy. As Julie mentioned earlier, we do acquisitions for three reasons. Many of you know this: to scale in high-growth areas, to deepen our industry and functional expertise, and to expand into new growth areas, into new growth areas. So our acquisition strategy is ultimately to fuel organic growth. We use our strong balance sheet and our acquisition experience as competitive advantages to accelerate our strategy. And because of our strong cash flow and our strong balance sheet, we can flex it up and we can flex it down based upon what we see.

And we apply consistent financial discipline against the targets that we evaluate. We recognize that different types of acquisitions can have different return profiles. So for acquisitions that extend our core capabilities, our core services capabilities, we require returns meaningfully above our cost of capital and a path to accretion over a relatively near-term horizon. For investments that expand our addressable market into higher growth areas—which could be products, platforms or solutions—the growth opportunity is higher, the return threshold is higher, and the investment horizon can be longer. Where we pay a higher valuation, we expect a higher return over time. And our track record supports that discipline. Our current acquisition portfolio over the last three years is generating returns of more than 2 times our cost of capital. And the discipline continues after the deals close. For the first three years, our Capital Committee reviews acquisitions semi-annually against the original business case, including both financial performance and talent retention. And we applied this same discipline across our business, exiting businesses, offerings, countries, contracts that no longer meet our strategic or return thresholds.

So, how are we tracking our progress, and how should you measure whether the strategy that you've heard today is working?

Of course, we will measure ourselves against the financial ambitions that we've outlined today.

In addition, I want to share some of the other key metrics that we're tracking as key indicators of our progress against our long-term growth ambition. We look at the

number of clients with quarterly bookings over \$100 million, and the creation of new Diamond clients. These metrics reflect the depth and durability of our trusted relationships and our ability to grow with the largest organizations in the world. We also look at the performance of our key 18 ecosystem partners. This is a direct measure of the technology and AI leadership, and our ability to capture growth with our ecosystems. And market share gains, clearest indicator of our competitiveness and whether or not we're winning in the marketplace. And finally, our Great Place to Work ranking. Shout out Kate! Our people remain fundamental to our success in attracting and retaining top talent is a critical competitive advantage. Our goal is to remain in the top five globally. And today you heard we're number four.

There is one additional metric that I want to highlight because it reflects how our business model is evolving. Revenue per person, which we expect to increase over time. As AI creates productivity and our business mix continues to evolve, this is the metric where you will be able to see how we are creating even more value and increasingly decoupling revenue growth from headcount growth. It is one of the clearest indicators of how AI is changing our business and strengthening the scalability of our business.

So, to wrap up: our financial model is designed to compound; the productivity we are driving is creating that investment capacity; as we invest, it's going to create new growth opportunities; and our strong cash flow and balance sheet allow us to invest and return cash to shareholders. We have demonstrated this model and we will continue scaling it. This is what gives me confidence in what we've laid out today. And our commitment to you is that we will continue to create shareholder value. Thank you.

Leadership Q&A

Alexia Quadrani

Good afternoon. Well, we're excited for 30 minutes of questions and answers here. As Angie just told you who's on stage, but it's Julie, Mauro, Manish, John, Angie and I'm Alexia Quadrani, the Head of Investor Relations. So, I'm going to call on you guys, just raise your hand. Please wait for the mic to come over to you. And then, if you don't mind just stating your name and your firm, that would just be helpful to us.

Julie Sweet

And our other leaders are also in the room. So, if you do have a question for someone else who is on a panel, please, just let us know. And they've got a mic and they'll be able to answer as well.

Tien-tsin Huang – JP Morgan

Good day. Thank you for hosting. My question... It's Tien-tsin Huang from JP Morgan. I'm just thinking, what's giving you all the confidence to go ahead and issue this to your outlook? That is a little uncharacteristic of Accenture, but it does speak to the

confidence in the business. What are the building blocks, do you think, to ultimately get to that acceleration in '29?

And I've gotten some questions around just absorbing the AI efficiencies. That's a pretty common question in the sector. But can you maybe just give us a mental model of how that might play into the outlook and how you see it? Thanks.

Julie Sweet

Sure. Why don't I take that? Alexia. So, I also got the same question.

We wouldn't have given this guidance probably a year ago. And the reason for that is that we've been building this foundation. As part of building the foundation. We've been doing more and more work with our clients. And so our confidence comes really from three things.

First, we are the leader in implementing AI. And over the last few years, we've started to see our clients be able to take them from pilot to production. And we have a much better view of both what that takes, and what that pace is going to be. And that's why we have such a clear view of how we're going to grow. And that visibility has come from both doing the projects, but also that we've been doing them long enough that we have enough examples to feel confident about how we're seeing that develop.

The second is that we've also been testing our view of how we absorb efficiencies. And so we've been absorbing them in our business from day one. And so we have more confidence in what that's looking for, looking like. We see two places that we're absorbing efficiencies in how we deliver as well as [in] software. The software we implement has more and more AI. It does impact the amount of our efficiencies.

At the same time, I just take you back to the beginning. Our strategy is to put more AI into all of our delivery. And so we have to work through some of our existing contracts. But the way that we will win is by helping our clients have more efficiencies that they can reinvest for the enormous agenda they have ahead of them. Remember, we said that only 5% of organizations have the enterprise AI stack that would even allow them to have AI be repeatable. There's a lot of investment that has to happen. And so we build relationships by using the latest technologies, delivering efficiencies, and being the partner that has the breadth and the talent to be able to help them achieve their ambitions.

And in addition to that, we have been very quietly going after the new markets that we've seen. And the network that we've built, which is now 6% of Accenture, also gives us a lot of confidence as we see our long term growth.

And so we have a clear strategy around how to grow the core. We have a lot of visibility into what our clients need, and we've now built a network that we can scale that also gives us confidence. And so those are the building blocks that really allow us to feel comfortable laying out an ambition for the next three years.

Jaime Friedman – Susquehanna

Thank you. It's Jamie Friedman at Susquehanna. Great day today. So, thanks for the additional disclosures. The detail, the thought process. This may be somewhat mundane, but I had an investor relations related question. When I look at the KPIs that you've had over the years: you had the strategic priorities and you had that for many years, and then you reduced that disclosure, prior to that under Pierre. The Old and the New was pretty straightforward. You're introducing the revenue per headcount. I appreciate that. But how do we measure how you're doing on the 6[%] and the 94[%] going forward?

Angie Park

I think that we laid out today how we see the next few years. And so we'll, the measures that I gave you relative to the metrics that we're going to be looking at, it will include, of course, how we are on our way to doubling that over the next three years. So that's our ambition.

Julie Sweet

We'd expect that to be an annual disclosure, because as you can imagine, these things are going to fluctuate up and down over a quarter. And so, you should anchor it on our annual guidance.

Stefan Slowinski – BNP Paribas Exane

Thank you. Stefan Slowinski from BNP Paribas. Thank you so much for doing this today. Really helpful and clearly see the opportunity that's ahead of you, working with your customers implement AI. Just wondering around the free cash flow implications of that. When we think about a move towards outcome-based pricing and the investment in the networks business, is there any change in your free cash flow conversion?

I see the 2029 outlook has, I think 1.1 for the net income to the free cash flow. That's below the 1.2 to 1.3 you've guided for this year. So just wondering if that's just a cautious kind of look a couple of years out or if there's anything changing in the business model that will impact the free cash flow conversion. Thank you.

Angie Park

Hey. Hi, Stefan. So for us, we think that a 1.1 free cash flow to net income is quite excellent. Like, we know what '27 looks like. The level of investments, etc. that we make will fluctuate depending on what we see and where we believe we need to invest. But at a minimum, we look to deliver at least 1.1. And so nothing to read into that of like, "oh, is something changing here?" It's more about we believe 1.1 is super strong, and that's what we're, that's our ambition. And we'll see how things flow from there.

Bryan Keane – Citi

Hi, it's Bryan Keane at Citi. Thanks for doing this. Great day. Just want to ask about the AI efficiencies. I guess the fear in investors' minds is that as AI advancement continues, those efficiencies will get greater. So, how do you get comfortable that you're not going to have to give further efficiencies?

And then, kind of attached to that, is thinking about competitive nature of the business. I guess another worry is that competitors will come with AI-led to price more aggressively than maybe Accenture has to try to win some business. So they're kind of related. But how do you think about those two things?

Julie Sweet

Sure. Why don't we first hear from Manish and he can give you a little color about what actually happens on the ground. And then I'll have one of our market CEOs talk a little bit as well.

Manish Sharma

So I think this, you know, the stuff around efficiencies has been a topic for discussion for probably more than three decades. Because when we did offshoring, we did RPA and some of the other waves that we had, we always had this question coming up. And I will say that there are two things on this. One is that every time something gets with lower cost, with faster, the demand always increases. You know, it comes back to a very old and a boring paradox, which is the Jevons Paradox, which was there but it has been proven and we kind of typically disregard that piece. But I've always seen, like as I said, I've lived through these three waves and I've always seen the demand kind of goes up. That's point one.

Second point is typically what happens is if the clients have 100 units of work, in 2001, they were giving us 5 units of work out of what they had. In 2010, they were giving us 20 parts. In 2021 they were giving us 25. And now we are seeing they are giving us increased amount of work because it has become cheaper, and with lower costs. So that's kind of the second point.

The third point, I think, which we are seeing is just the emergence of the new services. Which is kind of super exciting. We did not have AI managed services, we did not have data managed services, we did not have—you heard today—the OT managed services, we did not have any of this. So, you are seeing new kind of services emerging in the AI era, which we were not even looking at earlier.

We talked about the growth arenas earlier. But look at agentic commerce. Nobody talked about agentic commerce on this front. So that's kind of just the third point.

The last point I'll just say is, as AI has come—I know we all love AI and the deployment of AI—any organization, before they deploy AI, the debt that they have, we talk about tech debt, which is the digital core in the enterprise AI stack. The process debt is much larger than even the tech debt, which it is very uncool and nobody wants to focus on that. Then you have got the data debt because you got to get the data organized. And that is why

the data managed services and the architecture. And then you have got the operating model and access to talent.

These five things are, you know, they continue to kind of ensure that there is so much of work to be done post, post which you can deploy AI actually. So that's kind of just a bit of those four points.

Julie Sweet

So that was a very complete answer. So I won't have John and Mauro add to it. I will add one thing, however, which is you did ask about the AI, the AI-led and that is actually what we're doing today. You heard every one of the clients talk about how we're using AI and embedding it, and Manish talked about Reinvention.AI, which is our proprietary platform that we're using to help lead, because a lot of the reason why in managed services, for example, clients are turning to us, is they don't want to build the platform that has the agents and all of that. And so we are already selling with an AI first lens. And you have to do that to compete now.

Jason Kupferberg – Wells Fargo

That is me Jason Kupferberg from Wells Fargo. Thank you for everything today. I just had a two-part question about the '28 and '29 outlook. I mean, if we think about this current fiscal year, we're expecting about 2 to 2.5 points from M&A. Is that the right proxy to think about for the next couple of years?

And then just if you can hone in on fiscal '29. A little bit more, the acceleration you're obviously pointing to assuming that that's organic, what's driving that? What's the most likely scenario for that acceleration? Thanks.

Julie Sweet

You know, we've historically been in sort of the 2%-ish form for inorganic. And that's like a good sort of model to kind of go forward. Obviously, it flexes up and down depending on opportunities, but that's a good model, kind of going forward.

And then when you think about the building blocks of the step up. Maybe I'll have Mauro just give a little color as to how he sees that happening in his market.

Mauro Macchi

Well, first of all, it's linked a bit to the points that Manish was covering. We are really early in the cycle. I mean, we spent every week at clients and we really understand where are those clients in the cycle. And if I talk about Europe and you saw the numbers globally in Europe, we are even much earlier in the cloud journey, for example. Many clients—I'm not talking about global clients, but national champions—are still discussing how to approach the journey to cloud and cloud is a big enabler of AI.

So what I'm saying is that, as Manish was saying, there is a lot of work to do to prepare

and transition into real capturing value from AI. And the point of which I was going to make on the tech debt, the data debt, the process debt is very visible. So clients really need to navigate in this moment and they need to navigate and understand how to make choices. And one point that I see very valuable is they learn more and more how to deal with the ecosystem partner. They need to play and make the right alliances, like partnership with the ecosystem partner. I think they find always in Accenture the preferred partner—at least I can say in Europe—to help them find the right balance across the different ecosystem partners, to try to have certainty of the future steps. Because many CEOs tell me, “I want to have certainty of future cost.” And today, we need to make choices. We need to decide who to partner with and how fast you can afford to this transition. Because then maybe we didn't discuss a lot about change management. Change an organization takes time. And it's not a magic button of putting AI and then everything works perfectly. So, our job is really to navigate together with them in their transformation journey.

Julie Sweet

And then the other building block is the network. It's 6% today, but has the potential to be 12% in FY29. And it's growing double-digit. So you can start to see how that becomes a much more material contributor by FY29 and helping us achieve our ambition.

Kevin McVeigh – UBS

Thank you. Kevin McVeigh, UBS. Really helpful day for sure. As you think about the business mix, consulting relative to managed services, as clients start to scale their AI adoption, does that make stay constant? And, with the efficiencies clients have on the managed services side, do they redeploy that more into the consulting or more on the managed services?

Julie Sweet

I'll sort of keep this short. I mean, for about a decade we've been approximately 50/50. And much of our managed services also now includes consulting type of work. And then the consulting type of work leads to managed services. So, we don't see right now some big change happening. And you can see that even in our guidance for '27, where both are growing about the same. So, we don't see some big catalyst right now for a big mix shift.

James Faucette – Morgan Stanley

Thank you very much for everything today. James Faucette from Morgan Stanley. I wanted to ask about ventures and acquisitions. I feel like this is probably an underappreciated component of the strategy and how you're able to stay on technology cycles. I'm just wondering, how do you think about sustaining the growth rates of these businesses as you acquire them? How should we think about how that evolves over time and then how that contributes to the expected acceleration? Especially as we're seeing an uptick in in acquisitions right now, how important of a driver in the expected acceleration is that? Thanks.

Julie Sweet

I'll have Manish comment. But one of the things is to reground everyone in is that the acquisitions are both in our core business and in the network. And in all cases, the belief and the way that we look at the business cases are that they have to grow more because they're part of our family. So that's kind of like our mental model in terms of, as you think about, maintaining and actually accelerating growth.

Manish, why don't you give a little bit of color?

Manish Sharma

As you have seen plenty of acquisitions, I think they are all in terms of where we believe there is a massive opportunity for growth. But if you look each one by one, the reason why we turbocharge all our acquisitions is the availability of our client account lead network, the deep, trusted relationships of being like a complete, trusted advisor, the biggest orchestration engine on this planet—which John and Mauro spoke about. Because that access is why everybody and all the ecosystem partners and all the acquisitions, that is the biggest strength of Accenture, massive strength. Can we just imagine at 4,000 clients? I've got people who are sitting there, walking the corridors, talking to the client every single day, and understanding what the key challenges are and deploying the available. That is what they are all doing. And that is why we feel very confident to what Julie just said about rotating the business, as we move, because the 6%, they will come, they will get access to the world's biggest distribution channel. And then we just have explosion of growth around that.

Rod Bourgeois – DeepDive

Rod Bourgeois here with DeepDive. Manish, I've got a question for you about managed services. Given your background, particularly in that area. When you IPOed your managed services business, I think was 17% of revenues, it's now 50%, and it's on a very large base. And all of the concerns about AI floating around impacting stocks. But it's growing 7%. So can you give us some color on where the growth is coming from and how much of that is in newer areas of managed services that we may not have grown up understanding in from a historical perspective? Thanks.

Manish Sharma

Thanks, Rod. I think this is the question which keeps on coming, “Managed services, what is going to happen?” You know, hair on fire on that managed services. And as you rightly, thanks for pointing that out that we have grown this in a massive way. We are growing this in a consistent way over the years. I think there are two parts to this and, which I said earlier, one is every time something gets at lower cost, it just the demand increases. And this is where I always give the example, “Automation will destroy all jobs in humankind.” We think it is a new term that has come now. It was first created in 1851 during the Industrial Revolution. That is the beauty of this. And people kind of think about this. But so that is point one.

So explosion because it is becoming much more cheaper. AI is able to get, I think give us, it has given us more higher-value added work to be done in the managed services. In fact, part of the reason you are seeing the revenue per headcount increasing is because we are doing the higher-end work which the clients are now trusting us with. That is point one. And the second one, which is big, is all the new managed services. And they are like just at a great scale that they are increasing now, but that will become even bigger part of our service, which is the whether AI managed or the data managed services. And I keep on coming and saying AI is beautiful, but let us first do the data cleanup and the process cleanup and the digital core cleanup.

Mauro Macchi

And I would add that at least I've seen visible with the AI, the business cases of our clients have significantly improved compared to three, four years ago. So the business case for the client on the value that they can capture is much bigger. So now they're much more ready. Because maybe the business case was so short 4 or 5 years ago. Now the business case is probably sometimes even double. So, there is more openness to do managed services from many clients.

Phani Kanumuri – HSBC

Thank you. This is Phani from HSBC. I want to extend on the previous question that was asked. So the managed services was supposed to be the area where you would see a lot more pressure, but you said it was growing at 7%. But your total overall group revenue was at 5%. So which is the area that you are seeing more pressure on? Because the other subsegments that you had mentioned were all growth areas.

The second question that I had was on your delivery model, considering that more and more delivery is going to fix or outcome-based, how do you see this evolving into your outlook? Thank you.

Julie Sweet

Great. By the way, it was actually 7% in Q4 and 6% for the year. So a little bit less of a gap. What I would say and maybe, John, you can comment a little bit on this in terms of kind of where we see the squeezing of the legacy, while kind of a rotation to the New, because, of course, Americas is half our market and you can comment a bit on the delivery model.

John Walsh

So I think this is a little bit of a question that we've been talking about with managed services overall. And, so we do see managed services continue to grow. But at the same time there's different parts of managed services that are in there. There are some legacy managed services that we have in there that are under more pricing pressure. But by being able to squeeze those, it's creating an opportunity for us to sell into some of those other areas that had not been outsourced previously. And so, it's the balance between

those things where we're driving the incremental growth.

I mean, as a company over time, like we've succeeded by leaning into innovations in the industry, just like the offshore that Julie talked about at the very beginning, or innovations in technology, which has created value, speed, value for any of our clients. And that was true with offshoring, that was true with cloud, that was true with SaaS, and it's true with AI. And so with each one of these things, like we're kind of leaning into it. Even in cases where it is reducing the total revenue that we would get in that contract, the savings that we create gets reinvested somewhere else.

We're in a great position to help them figure out where they can apply that savings in order to create more growth or more differentiation elsewhere. So it's kind of this revolving circle as we go around. The legacy parts of the business that are getting squeezed, create savings that gets reinvested into the parts of the business that are trying to grow. When we help them save, then we also are helping them grow or differentiate in another area. So, like how it works for the client and how it works for us, these are relationships we've had as we've talked about in cases for decades. Like we sort of know both sides of this equation and are working with them on this transition, like partnering.

Julie Sweet

And that's why our delivery model is all about. We want to use as much AI as we can in all types of work because that's called putting the client's needs first. And then positioning to be able to do more. And our strategy, what's so important about it, is we have been building the expertise to be relevant to all these other buyers for, in some cases, decades. And those budgets are the ones that are now starting to expand in addition to the tech budget because of the opportunity. And that's why we're so well-positioned and the breadth of our business really matters. If we were a much more narrow company in absorbing AI efficiencies, that would be a challenge. But we really have a broad base of business. That's super exciting.

Darrin Peller – Wolfe Research

Hey, thanks guys. It's Darrin Peller from Wolfe Research. Let me just start quickly with Angie and then a very quick one for Julie as well. But it's really focused on margins.

If you could just help us in the context of the environment we're in around some, more, more interesting dynamics around pricing. How do you think through the building blocks for the conviction on the 10 to 30bps, especially all the way out a few years?

And then maybe just quickly. Julie, when we think about the areas of your business that the new data infrastructure and the core being advanced opens up for you, that maybe you couldn't sell as much of 3 years ago. What are a few of the areas—and I'm thinking about Song or areas like that—that maybe can accelerate now given the infrastructure of your customers today?

Angie Park

So let me start with. I'll start with the margin expansion and how we're thinking about it, because I do know there's been a lot of conversations around pricing throughout the day. There's the four levers that I went through earlier today.

Pricing is absolutely one of those factors, which is the margin on the work that we sell. We work hard. Our goal is for it to be maintained or improving. And so that's the first. The second piece is how do we deliver our services. Julie, like everyone up here, has talked about how we're leaned in in terms of how we deliver our services to our clients to be more productive and how we're delivering that. Second, big lever. Third is how we run Accenture. Pretty significant, and you guys have seen that in our DNA, for example, in terms of the efficiencies that we're building in all three of those things, along with our talent and supply management. It's all of those are in play that allow us while absorbing, by the way, while absorbing significant investments. And you saw our investments in our materials that we sent and still throwing off 10 to 30 basis points. And so it's a formulaic piece that we think through, but those levers are in play for us to deliver the 10 to 30.

Julie Sweet

And we're four years in now. So, obviously things can change. But our confidence comes from we've been operating in this environment of more competitive intensity. We've been operating in the environment of giving more productivity. We've been taking out costs in our corporate functions and reinvesting it. So, again, I would have said we wouldn't give this 3-year guidance 1 or 2 years ago, but we are now 4 years into this big transformation. And so we have more confidence in how this develops.

And then the other question was?

Darrin Peller – Wolfe Research

So the offerings you have that can accelerate given the infrastructure of your customers today.

Julie Sweet

Yeah, I think that probably the biggest kind of new area is the enterprise AI stack. You heard Manish talk about where an FY23, that we had four deals that were 50 million or more that were mostly AI and data as opposed to other deals. And last year we had fifty. Now, we want a lot more than that. But that's where we're starting to see companies that have built enough of the digital core, and they're willing to spend the money. Because you don't get immediate ROI when you're building out the enterprise AI stack. And that's part of the challenge in terms of adoption, is you really do need that full stack and data is absolutely critical. But I would say that in building out the digital core, one of the things that we talked about earlier, is that there are so many areas of the digital core that are actually new areas.

So the mainframe is one of them. I mean, IBM's Z product is only a couple of years old

now, and so now it has the ability to embed the AI to make different choices about what goes to the cloud, what makes sense to stay there. That's a big growth area that isn't about like something brand new, but the tech is there and they absolutely want to use AI, and it's very important to be able to use more AI that you modernize it. And so it's very important that the depth of our understanding of each of these aspects means that we're capturing new growth in each of the components. It's not all about, but again, you have to, it takes time. You have to have investment. Our clients the spending environment's not changing. And so, you know, some of that just got to be worked through.

David Paige – RBC

Thank you. David Paige from RBC. I was curious if you could talk about some of the emerging growth opportunities, maybe in the mid-market or in emerging markets, how should we think about that over the next 2 to 3 years? Thank you.

Julie Sweet

Sure. Do you want to start, John? The mid-market is one of your favorite topics, along with Mauro.

John Walsh

I'll start. So mid-market, just to be clear, there's the mid-market, which is an area that historically, Accenture, while we do work in the mid-market, isn't something that we've targeted in the way that we're intentionally targeting now.

So these are companies between, say, \$300 million to \$3 billion in size. And so we're going to market with our ecosystem partners, with packaged solutions and a team that's been custom-built in order to serve that sector of the market. For us, that's like, I look at it in Americas, like whitespace upside for us. And I think we will be able to grow there because we have a strong brand, we have super strong ecosystem relationships. And we obviously have a scale delivery capability on and offshore that we can do this. So that's upside.

Then there's the emerging large segment, which again, like we've always worked in emerging large. This is kind of like the \$3.5 billion to \$7 billion-size companies. We are intentionally targeting like the highest performing companies in that sector. And we have a lot to bring to the table for them as well. We have very senior executives that have been working with the biggest companies in every one of these industry stacks, like we're making some of those folks available to directly serve companies in that sector so that we can bring that 20 years of expertise, knowledge, network, understanding the industries, in addition to kind of the rest of Accenture's capabilities that we do for the biggest companies in the world today. And so, as I look at both of those—and Manish and I have been working on this for the better part of the last three years—like we've seen these segments really grow. We're being more public about it now with all of you, but we have a lot of upside potential that we're looking at as we continue to lean in here.

Maggie Nolan – William Blair

Thank you. And thanks for your time today. This is Maggie Nolan with William Blair. I'm curious on the guidance. What would happen or what would you expect to be the driver behind an increase in fiscal '28 from mid-single digit to fiscal '29, in high single digit, and your confidence in being able to reach the high end of that in '29?

Julie Sweet

So the big drivers are that both the core and the network are going to grow. So we expect the network, our ambition is to double it by '29 and to have the core continue to grow in the mid-single digits. And we feel that if we can achieve that with what we expect to start to happen in '29, in terms of opportunities and where we expect AI to scale, that's when we feel like we can have this step up. And where are we going to be in the range, in that step up? We'll update you closer to then, but we feel like we're being very realistic about the opportunities, the realities that we need to work through over the next couple of years and where we think that the opportunity to scale both the network and grow the core is. So, thank you.

Well, I'm sorry, I would love to spend more time, but I know it's been a long day. So I just want to thank all of you on behalf of the entire management team and our board. You've invested a lot of time with us and we appreciate it. Hopefully, you are walking away with a deeper understanding of how we've become a business reinvention and technology company, and why we have so much conviction in our growth and our shareholder value creation ahead. So thank you for your time and your trust and we'll see you at earnings. Thank you.