

Accenture Cloud First Launches With \$3 Billion Investment to Accelerate Clients' Move to Cloud and Digital Transformation

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Major move designed to create new model for rapid migration to the cloud and realization of value for clients and their stakeholders

Karthik Narain appointed to lead Accenture Cloud First

NEW YORK; Sept. 17, 2020 – Accenture (NYSE: ACN) today announced the formation of Accenture Cloud First with a \$3 billion investment over three years to help clients across all industries rapidly become "cloud first" businesses and accelerate their digital transformation to realize greater value at speed and scale. Karthik Narain will lead Accenture Cloud First and join the Global Management Committee, effective October 1.

Accenture is recognized as a leading partner to the world's major cloud providers. With approximately \$11 billion in cloud revenue in its fiscal year 2019, Accenture's leadership spans from Software as a Service — delivered through the company's Intelligent Platform Services — to its migration, infrastructure and application cloud services. More than 100,000 Accenture cloud professionals help clients shape, move, build and operate their businesses in the cloud and realize the cloud's business value, speed, cost, talent and innovation benefits.



"COVID-19 has created a new inflection point that requires every company to dramatically accelerate the move to the cloud as a foundation for digital transformation to build the resilience, new experiences and products, trust, speed and structural cost reduction that the ongoing health, economic and societal crisis demands — and that a better future for all requires," said Julie Sweet, chief executive officer, Accenture. "Accenture Cloud First and our substantial investment demonstrate our commitment to delivering greater value to our clients when they need it most. Digital transformation requires cloud at scale, and post-COVID leadership requires that every business become a 'cloud first' business."

Accenture Cloud First is a new multi-service group of 70,000 cloud professionals that brings together the full power and breadth of Accenture's industry and technology capabilities, ecosystem partnerships, and deep commitment to learning and upskilling clients' employees and to responsible business, with the singular focus of enabling organizations to move to the cloud with greater speed and achieve greater value for all their stakeholders at this critical time. Specifically, this new group integrates the company's wide-ranging cloud expertise, including cloud migration, infrastructure, and application services and ecosystem partnerships; deep industry and cross-industry insights, data and Applied Intelligence capabilities; Accenture Interactive's leading experience design skills; and insights from the company's unmatched experience in modernizing and operating large IT estates and key business processes across finance, HR, marketing, supply chain and specific industries for leading global companies. This operational experience at scale is critical to ensuring companies realize value from their cloud and digital transformation. Edge computing, integrated with the cloud, also will be a key focus area.

Accenture Cloud First also combines world-class learning and talent development expertise; deep experience in cloud change management; and cloud-ready operating models with a commitment to responsible business by design — with security, data privacy, responsible use of artificial intelligence, sustainability and ethics and compliance built into the fundamental changes Accenture helps companies achieve.

Accenture's \$3 billion investment will be used to continue advancing — often together with its cloud and broader technology ecosystem partners — industry roadmaps, data models, and solutions; cloud AI data and AI architectures; integrated full-stack infrastructure and applications capabilities; cloud tools, assets, and automation to drive lower unit cost and innovation; and research and development in edge computing and related cloud technologies.

Karthik Narain will lead Accenture Cloud First. A technology industry veteran based in Silicon Valley, Narain most recently served as the lead for Accenture Technology in North America, helping guide Global 2000 brands in using the power of the cloud and other technologies to transform their businesses. Over his 20-year career, he has led many innovative technology programs for clients across a variety of industry sectors, including Software & Platforms, Financial Services and High Tech. Karthik also previously led Technology services for Accenture's Communications, Media and High Tech industry segments.

"Cloud is the most disruptive and value-creating technology of our time — it is the foundation for the digital transformation that is driving profound changes in how businesses operate, compete and create value for all their stakeholders," said Paul Daugherty, group chief executive, Accenture Technology. "With most businesses currently at only about 20% in the cloud, moving to 80% or more rapidly and cost effectively is a massive change that requires a bold new model. Accenture Cloud First, along with our \$3 billion investment and our market-leading Software as a Service capabilities in Intelligent Platform Services, ensures that we provide our clients with value, speed and innovation in every part of their cloud journey."

"The acceleration to new levels of digital performance by companies requires a transformation of talent across the enterprise to achieve truly new ways of competing, operating and serving customers," said Annette Rippert, group chief executive, Accenture Strategy and Consulting. "We believe that helping our clients purposefully build the core skills they need and quickly adopt new ways of working is essential to achieve value moving to the cloud. Accenture Cloud First brings our strong capabilities in driving change and developing talent not only for our clients but also for Accenture — we are already 95% in the cloud, and in FY19, we invested \$1 billion in developing our people."

Today's announcement comes as worldwide demand for cloud computing has skyrocketed due to the COVID-19 pandemic. According to Gartner, the worldwide public cloud services market is forecast to grow 6.3% in 2020 to total \$257.9 billion, up from \$242.7 billion in 2019. "When the COVID-19 pandemic hit, there were a few initial hiccups but cloud ultimately delivered exactly what it was supposed to," said Sid Nag, research vice president at Gartner. "It responded to increased demand and catered to customers' preference of elastic, pay-as-you-go consumption models."¹

[1] Gartner Press Release, Gartner Forecasts Worldwide Public Cloud Revenue to Grow 6.3% in 2020, July 2020,

<https://www.gartner.com/en/newsroom/press-releases/2020-07-23-gartner-forecasts-worldwide-public-cloud-revenue-to-grow-6point3-percent-in-2020#:~:text=The%20worldwide%20public%20cloud%20services,increasing%2095.4%25%20to%20>

About Accenture

Accenture is a leading global professional services company, providing a broad range of services in strategy and consulting, interactive, technology and operations, with digital capabilities across all of these services. We combine unmatched experience and specialized capabilities across more than 40 industries — powered by the world's largest network of Advanced Technology and Intelligent Operations centers. With 513,000 people serving clients in more than 120 countries, Accenture brings continuous innovation to help clients improve their performance and create lasting value across their enterprises. Visit us at www.accenture.com.

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