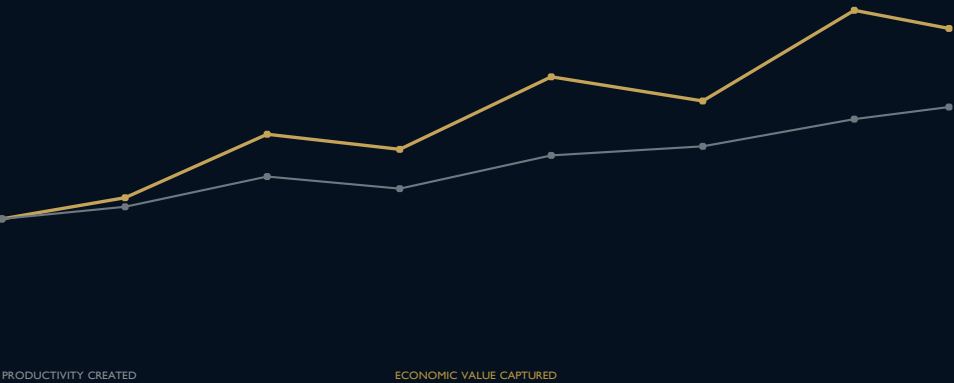


AI capability is accelerating. Organisational readiness is not.

TECHNOLOGY | COMMERCIAL ARCHITECTURE | ENTERPRISE VALUE



00 / PURPOSE & STARTING POSITION

The company does not have an AI problem. It has an enterprise design problem that AI has exposed.

An international professional, technical and information services group enters the period from a position of strength. It is profitable, growing and institutionally credible. The board has not ignored AI. It may have done the opposite.

STARTING POSITION	
Revenue	£1.420bn
EBITDA	£199m
EBITDA margin	14.0%
Cash conversion	77%
Employees	12,600
Professional / technical workforce	~9,100
Countries	19
Top 30 institutional customers	42% of revenue
Revenue linked to time/capacity	58%
AI initiatives	132
AI/data/automation vendors	61
AI investment already committed	£74m
Proposed additional programme	£260m

THE SIGNAL

The programme was beginning to work. That was when the strategic problem became visible.

One flagship workflow falls from roughly 1,000 professional hours to 630. A major customer then asks why materially fewer hours should still attract materially the same fee and requests an 18% reduction.

£310m

Annual revenue across nine strategically important relationships approaching renewal or repricing.

The danger is no longer adoption. The danger is successful adoption inside the wrong commercial architecture.

01 / THE ECONOMIC CONTRADICTION

Productivity is not automatically value creation.

A professional or technical business can become faster and economically weaker at the same time. The technology does not determine who captures the value. The commercial architecture does.

CUSTOMER CAPTURE	SHAREHOLDER CAPTURE	CAPACITY CAPTURE	PROPOSITION CHANGE
Price follows effort down. Productivity rises; revenue falls; the customer captures much of the benefit.	Price remains substantially intact while delivery cost falls. Contribution expands.	Released capacity is deliberately redeployed into additional demand or higher value work.	The customer stops buying the historical unit of effort and buys an outcome, managed service, subscription or other value unit.

SIMPLIFIED ENGAGEMENT

Revenue	£200,000
Professional effort	1,000 hours
Contribution	£60,000
AI assisted effort	650 hours
Technical productivity	35%

The model can perform identically in every scenario. The enterprise outcome can still be radically different.

02 / THE PRODUCTIVITY CAPTURE GAP

The number management celebrated was not the number the board needed.

The original programme measures productivity created. E. Cartier reconstructs the economics around productivity captured, the portion that reaches EBITDA, cash, commercially useful capacity, pricing power, revenue or another measurable source of enterprise value.



WHERE THE VALUE LEAKS

SOURCE OF LEAKAGE	ANNUAL EFFECT
Price leakage from time/capacity economics	-£39m
Released capacity without commercial redeployment	-£21m
Legacy processes continuing beside automated processes	-£15m
Manual exceptions / adoption drag	-£12m
Duplicated vendor and infrastructure economics	-£10m
Transition, assurance and control cost	-£12m
ECONOMIC VALUE CAPTURED	£67m

The enterprise is allowing too much productivity to leave the shareholder economics before it reaches the P&L;

03 / THE SAME AI

The model was not the competitive advantage. The architecture around the model was.

Assume exactly the same technology produces a 35% productivity improvement in three companies. The technology result is identical. The enterprise result is not.

01
COMPANY A: CUSTOMER OWNS THE PRODUCTION TODAY

Time based pricing remains. Productivity improves, fee pressure increases and released capacity lacks an owner. The customer captures much of the value.

02
COMPANY B: COMPANY OWNS THE COST IMPROVEMENT

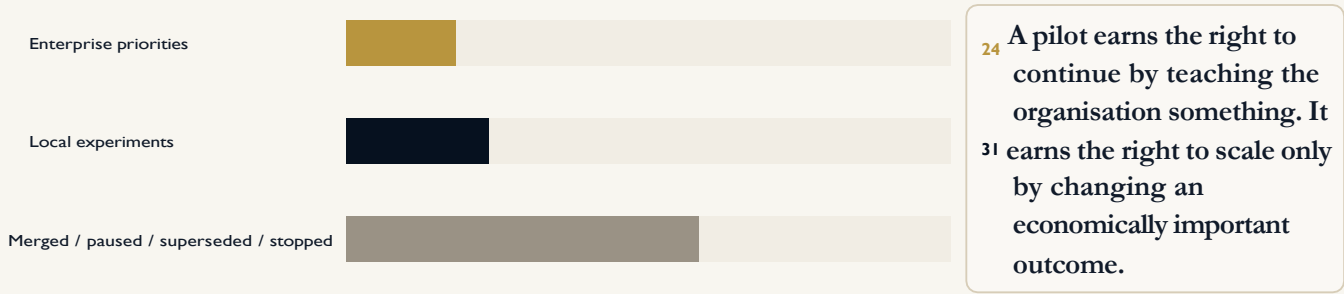
Pricing largely survives. Delivery cost falls and margin improves, but the proposition itself remains substantially unchanged.

03
C: ENTERPRISE IS REDESIGNED

Retained economics, capacity allocation, different pricing, new propositions and greater recurring revenue convert productivity into a different company.

WHAT 132 INITIATIVES WERE HIDING

The portfolio is not one AI strategy. It is 132 separate beliefs about value, workflow design, authority, data, customer demand, ownership, capital and scale. Every initiative is reunderwritten against enterprise consequence rather than novelty.



04 / THE REFRAMING

E. Cartier does not begin with the model. It begins with the enterprise outcome.

How should the enterprise convert AI capability into measurable value while preserving pricing power, customer trust, accountable decision making and sufficient strategic freedom to change route as the evidence matures?

COMMERCIAL ARCHITECTURE BEFORE SCALE

58% of group revenue remains substantially connected to time, professional effort or capacity consumed. The question is not whether time based economics are inherently wrong. It is where AI makes the existing unit of sale structurally incompatible with the unit of value the customer actually receives.

If we remove 30% of the work, are we removing 30% of the customer's reason to pay us?

THE PRECEDENT RISK

£824m

Revenue substantially linked to effort or capacity.

20%

Technical productivity across that pool.

45%

Share customers ultimately capture through repricing or competitive pressure.

£74m

Potential annual revenue pressure before secondary consequences.

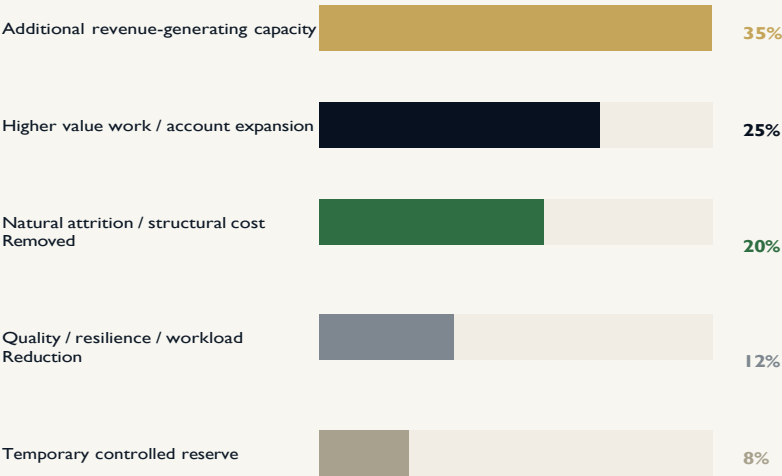
05 / RELEASED CAPACITY

Productivity without an owner becomes slack.

A company would not create £100m of cash and leave ownership unclear. Yet enterprises routinely create huge quantities of professional capacity through automation without deciding where it should go. E. Cartier therefore imposes one requirement: no material productivity release without an allocation decision.

YEAR FOUR RELEASED CAPACITY

1.6m hours



THE INCENTIVE CONTRADICTION

Selected leaders are still measured on utilisation, billable hours, local P&L; and headcount responsibility. Management is asking them to adopt technology intended to reduce several of those measures.

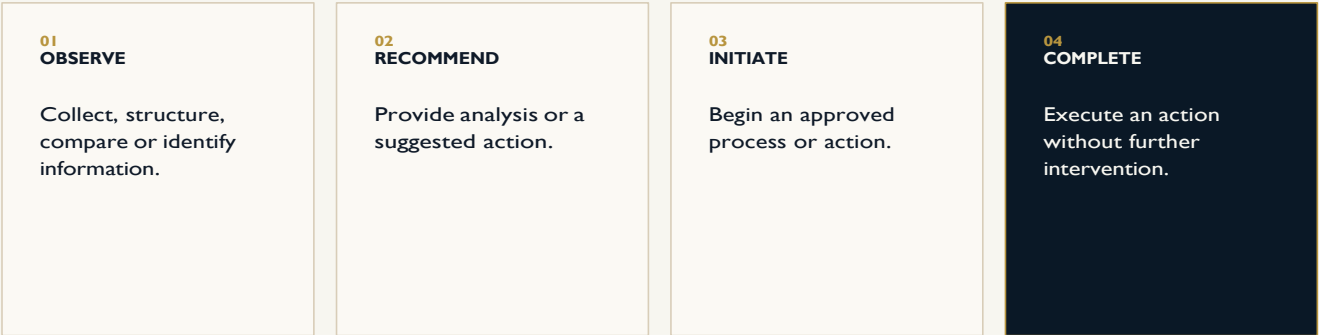
Management was asking people to reduce the activity on which their performance was still measured.

Resistance was not necessarily irrational. The incentive system was.

06 / DECISION ARCHITECTURE

"Human in the loop" is not a decision model.

Thirty seven workflows are consequential enough that the organisation must know precisely where machine capability ends and accountable authority begins. Capability does not create authority. Authority still has to be granted.



FOR EVERY CONSEQUENTIAL WORKFLOW

Named accountability | mandatory human approval points | evidence retention | exception triggers | escalation owner | reserved decisions | conditions that narrow or withdraw authority

THE CUSTOMER & DATA PERIMETER

CONTRACT / USE POSITION	COUNT
Clear route for intended deployment	18
Clarification / amendment / additional assurance / narrower use	21
Current route incompatible without material change	11

E. Cartier does not make the specialist legal, privacy, cyber or technical determination. It makes the enterprise consequence of that determination visible.

07 / CAPABILITY & CAPITAL

The company does not need to own every capability. It needs to know where ownership changes strategic economics.

Sixty one AI, automation and data providers have accumulated across the enterprise. The objective is not vendor reduction for its own sake. It is to identify which layers are commodity, which create scarcity, where dependency constrains strategic freedom and where ownership genuinely matters.

Buy the model. Own the workflow. Protect the proprietary data, customer relationship and commercial logic.

STRATEGIC VENDOR ESTATE

£260m DOES NOT GET REJECTED. ITS RIGHT TO BECOME IRREVERSIBLE GETS WITHDRAWN.



TRANCHE I	£102m
Highest confidence infrastructure, workflow, data and commercial priorities.	
TRANCHE II	£54m
Released only after adoption, productivity, customer and economic capture thresholds clear.	
TRANCHE III	£35m
Released for repeatable propositions and proven scaling requirements.	
UNCOMMITTED	£69m
Never becomes committed because later evidence does not demonstrate that it is required.	

TOTAL ADDITIONAL DEPLOYMENT

£191m

08 / THE EVIDENCE GATES

Milestones tell management whether something happened. Evidence tells the board whether it deserves to continue.

A material use case cannot receive the next commitment merely because a pilot completed, a model met a benchmark, a supplier delivered or users attended training. It must clear the evidence relevant to its economic claim.

EVIDENCE GATE	WHY IT EXISTS
Named economic owner	Someone must own the measurable result, not just the activity.
Defined value mechanism	Cost, price, volume, mix, retention or new revenue must be explicit.
Baseline and repeatability	Pilot performance must survive outside the controlled environment.
Customer / contractual conditions	Scale cannot assume rights or permissions that do not exist.
Decision authority	The system's permitted influence must be explicit.
Economic capture	Savings or productivity must reach measurable enterprise economics.
Revise / stop condition	The recommendation must be allowed to lose.

AI MANDATE CONTROL TOWER	
OBJECTIVE	Value, pricing power, trust and strategic freedom.
DECISIONS	Approvals, capital releases, authority allocations.
PROOF	Known, believed, unknown, next proof.
ACCESS	Customers, specialists, data, permissions.
EXECUTION	Owners, dependencies, intervention rights.
VALUE	Productivity created and captured; revenue, margin, cash.
RISK	Pricing precedent, trust, rights, errors, dependency.
TRANSFER	What remains when E. Cartier steps back.

09 / THE CONVENTIONAL ROUTE SUCCEEDS

There is no straw man.

The technology led strategy works. The models perform. Adoption rises. Customers use new functionality. Revenue and EBITDA grow. Several sophisticated advisers could reasonably call the programme successful.

REVENUE £1.66bn	EBITDA £287m	EBITDA MARGIN 17.3%	CASH CONVERSION 74%
GROSS AI PRODUCTIVITY £176m	AI-ENABLED REVENUE £72m	CAPACITY/TIME LINKED REVENUE 49%	ADDITIONAL PROGRAMME CAPITAL £252m

The technology programme optimised how much capability could be deployed. It did not fully redesign the enterprise around how much value could be retained.

The hard question is not whether the programme succeeded. It is why £176m of gross productivity translated into only about £67m of economically captured benefit.

10 / THE GOVERNED RESULT

The technology led route created more productivity. The governed route created the better company.

The paradox is deliberate. The E. Cartier route produces slightly less raw productivity and materially more economic value because the enterprise is redesigned around how productivity is priced, allocated, governed and commercialised.

METRIC	STARTING	TECHNOLOGY LED	E. CARTIER GOVERNED
Revenue	£1.420bn	£1.660bn	£1.780bn
EBITDA	£199m	£287m	£405m
EBITDA margin	14.0%	17.3%	22.8%
Cash conversion	77%	74%	89%
Gross annual AI productivity	-	£176m	£168m
Productivity economically captured	-	38%	72%
Approx. annual productivity captured	-	£67m	£121m
AI enabled commercial revenue	-	£72m	£214m
Capacity/time-linked revenue	58%	49%	31%
Strategic AI/data vendor estate	61	~43	~14
Additional programme capital	-	~£252m	£191m

£8m LESS

gross annual productivity

£54m MORE

annual economic value
captured from
productivity

II / THE CAUSAL BRIDGES

Extraordinary outcomes do not become credible until the bridge is visible.

The £1.78bn revenue result and £405m EBITDA result are not presented as unexplained end state numbers. Each is reconstructed from identifiable operating mechanisms, including deliberate sacrifice where weaker revenue no longer deserves protection.

REVENUE BRIDGE

Starting revenue	£1.420bn
Underlying core movement	+£130m
AI enabled new propositions	+£145m
Commercial model / pricing / mix	+£95m
Commercialised capacity / cross sell	+£80m
Legacy / poor work exited or cannibalised	-£90m
YEAR FOUR REVENUE	£1.780bn

EBITDA BRIDGE

Starting EBITDA	£199m
Underlying growth / mix	+£31m
Commercial-model / pricing capture	+£54m
Structural delivery productivity retained	+£42m
Commercialised released capacity	+£24m
AI enabled proposition contribution	+£36m
Vendor / platform rationalisation	+£27m
Incremental governance / assurance	-£8m
YEAR FOUR EBITDA	£405m

The business deliberately gives up approximately £90m of legacy or economically poor revenue. Growth is not being maximised. Enterprise quality is.

I2 / CASH & ENTERPRISE VALUE

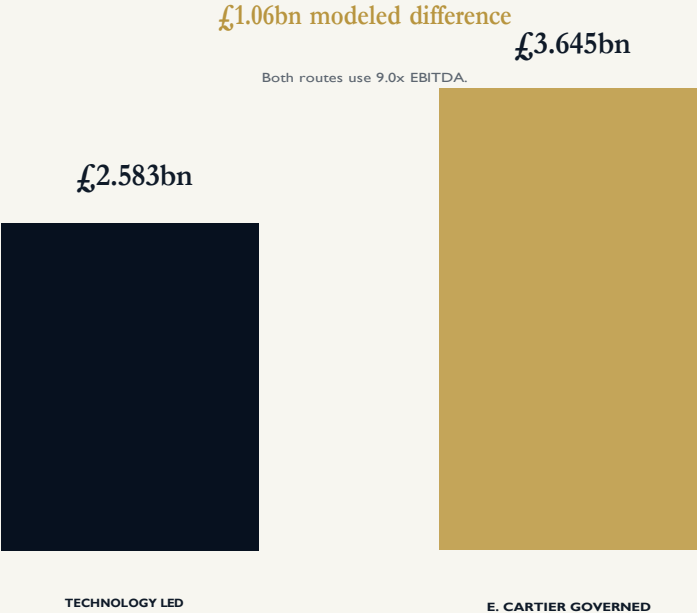
The governed route does not simply produce a larger P&L.; It creates more capacity for the next decision.

CASH CONVERSION

77% → 89%

Supported by more recurring / managed service billing where appropriate, lower duplicated commitments, less capital deployed ahead of evidence, reduced delivery leakage and more disciplined capacity allocation.

SAME MULTIPLE, DIFFERENT ENTERPRISE.



WHAT WE DELIBERATELY DID NOT COUNT

- | | | | | | | | |
|----|--|----|---------------------------|----|----------------------------------|----|--------------------------------------|
| 01 | No higher valuation multiple | 02 | No speculative AI premium | 03 | No separate data asset valuation | 04 | No strategic acquirer premium |
| 05 | No insurance / regulatory cost benefit | 06 | No M&A; optionality value | 07 | No brand / reputation uplift | 08 | No future products outside the model |

13 / THE THESIS HAS CONDITIONS

The recommendation is not allowed to become ideology.

The E. Cartier route changes if the evidence changes. A recommendation that cannot lose is not a decision thesis; it is a preference.

WHAT WOULD MAKE US WRONG?

- 01 Customers systematically capture most productivity through unavoidable repricing.
- 02 Released capacity cannot be commercially redeployed.
- 03 AI enabled propositions fail willingness to pay tests.
- 04 Customer / contractual / data restrictions materially reduce viable scale.
- 05 Quality deteriorates outside controlled pilots.
- 06 Governance destroys speed without creating proportionate decision quality or control.
- 07 Vendor economics prove structurally superior to the ownership boundary.
- 08 People intensive delivery remains economically superior in selected businesses.

ATTRIBUTION

E. CARTIER GOVERNS

Mandate objective; enterprise value architecture; portfolio reunderwriting; commercial model sequence; productivity capture logic; capacity allocation; decision architecture; capital gates; vendor / ownership boundary; integration of specialist, customer, financial and operating consequences; evidence thresholds; Control Tower and transfer architecture.

E. CARTIER DOES NOT CLAIM TO HAVE

Built the AI models; performed software engineering; provided legal opinions; made privacy determinations; performed cyber assurance; made regulated professional judgements; provided technical certification; operated management functions belonging to the client; or guaranteed the market outcome.

Extraordinary results require

narrower claims, not larger ones.

14 / DECISIONS REQUIRED NOW

The board is no longer being asked whether it should invest in AI.

It is being asked which parts of the enterprise deserve to be changed by AI, on what evidence, under whose authority, with which economics and at what point the next commitment should become irreversible.

01 Which 24 of the 132 initiatives deserve enterprise capital?

02 Which productivity pools require Commercial model redesign before automation scales?

03 Who owns every material unit of capacity released by AI?

04 Where does capability genuinely require ownership rather than access?

05 Which decisions may AI observe, recommend, initiate or complete?

06 Which customer, rights or assurance conditions must exist before deployment?

07 What evidence releases the next £54m?

08 Which assumptions, if disproved, reopen the strategy?

TRANSFER

The client retains the enterprise AI portfolio; economic ownership by use case; Productivity Capture logic; decision rights architecture; commercial model playbooks; capacity allocation rules; capital release gates; vendor and ownership boundaries; customer and specialist dependency map; measurement sources; decision ledger; escalation logic; and a repeatable method for evaluating the next technological capability.

15 / E. CARTIER PERSPECTIVE

AI is accelerating one of the oldest errors in enterprise strategy.

Technology changes quickly. Commercial architecture often does not. Incentives do not. Contracts do not. Decision rights do not. Capital plans do not. Organisational structures do not.

The result is a dangerous period in which an enterprise can become technically more capable before it becomes economically more valuable. The board can approve more pilots. Management can report more adoption. Employees can complete work faster. Customers can receive better outcomes. Every one of those statements can be true while the enterprise captures less value than the technology created.

The question is not how much work AI can remove.

It is how much enterprise value the organisation is designed to retain when it does.

PRIVATE AI VALUE REALISATION REVIEW

For boards, owners and senior leadership teams where technological capability has begun to move faster than the commercial, operating or governance architecture around it. The review examines the live decision: the economic outcome being pursued, where productivity is created and lost, commercial model exposure, portfolio concentration, authority, customer and specialist dependencies, capital already committed and the evidence required before the next commitment.