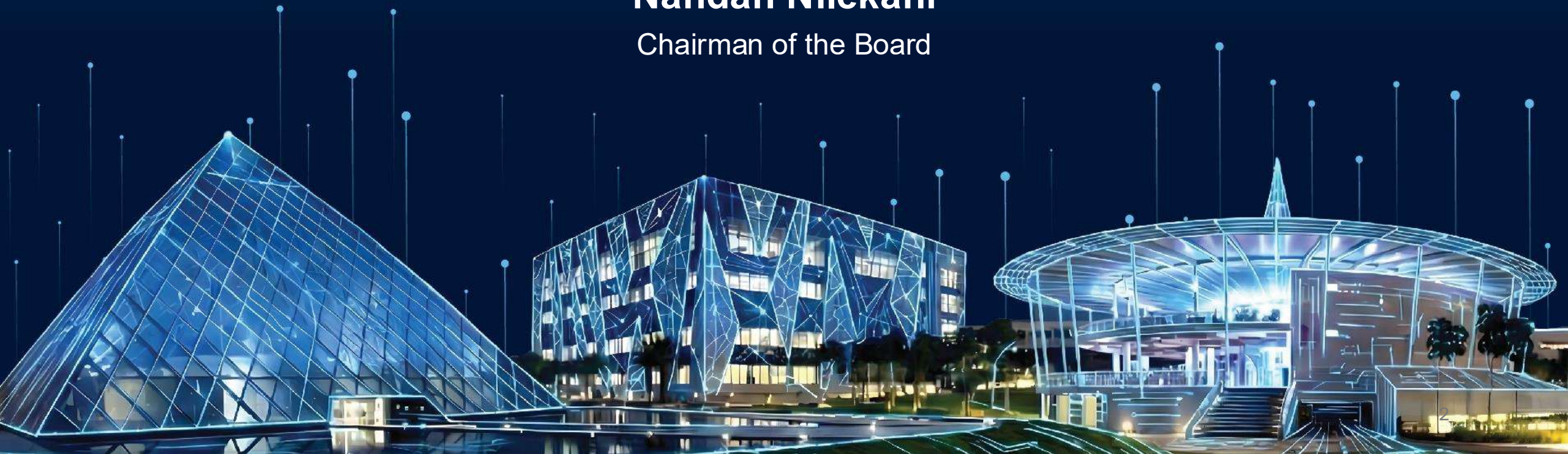
Infosys
INVESTOR AI DAY
2026

Infosys AI Day

February 17th, 2026

Tech transitions - Why is the AI transition different?

Nandan Nilekani
Chairman of the Board



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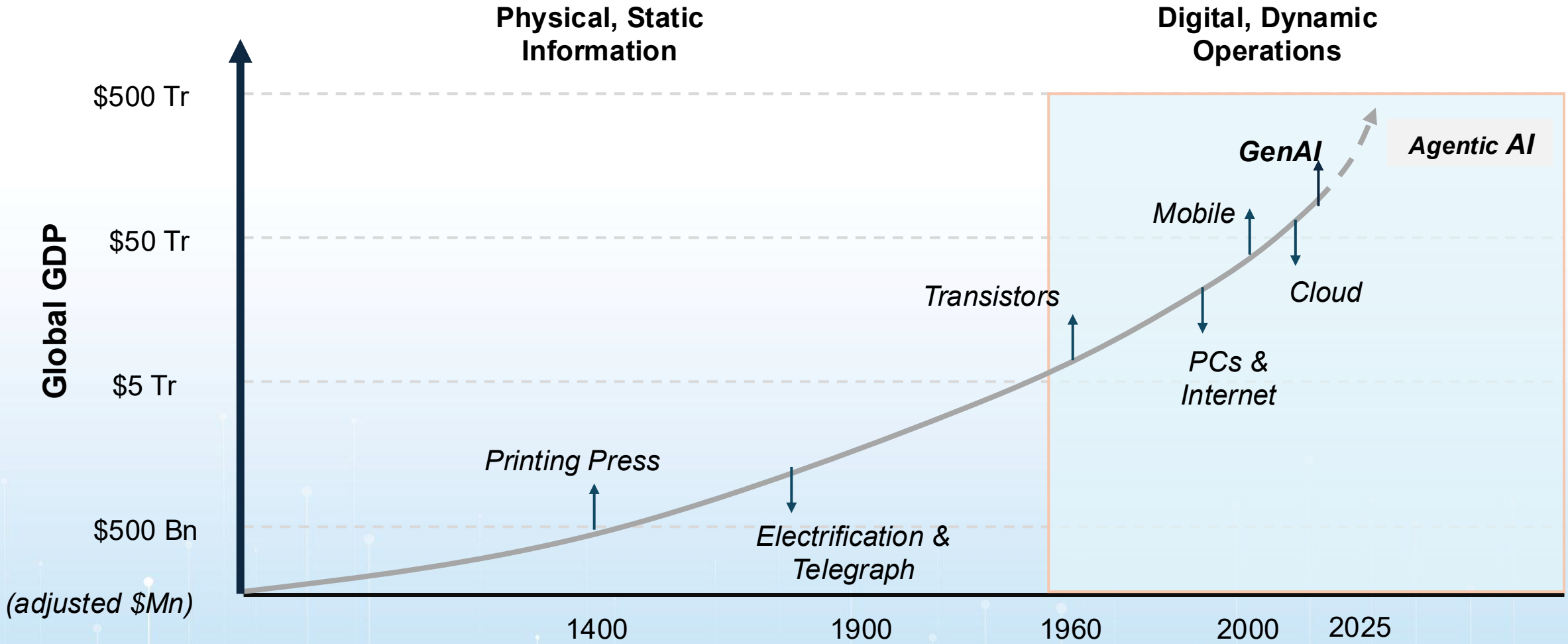
Technology has seen fundamental shifts over the years



Source: Coatue

Tech innovations have continuously redefined enterprise operations

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Computerization

- Replacement of paper-based workflows
- Enterprise systems
- Addition of IT operations

Mainframe

Minicomputer

PC

Internet Access

- Globalization and digital reach
- Platform-based business models
- Enterprise data

Client Server

LAN

Web Computing

Cloud Access

- Digital scalability
- Modular business architecture and microservices
- Enterprise IT

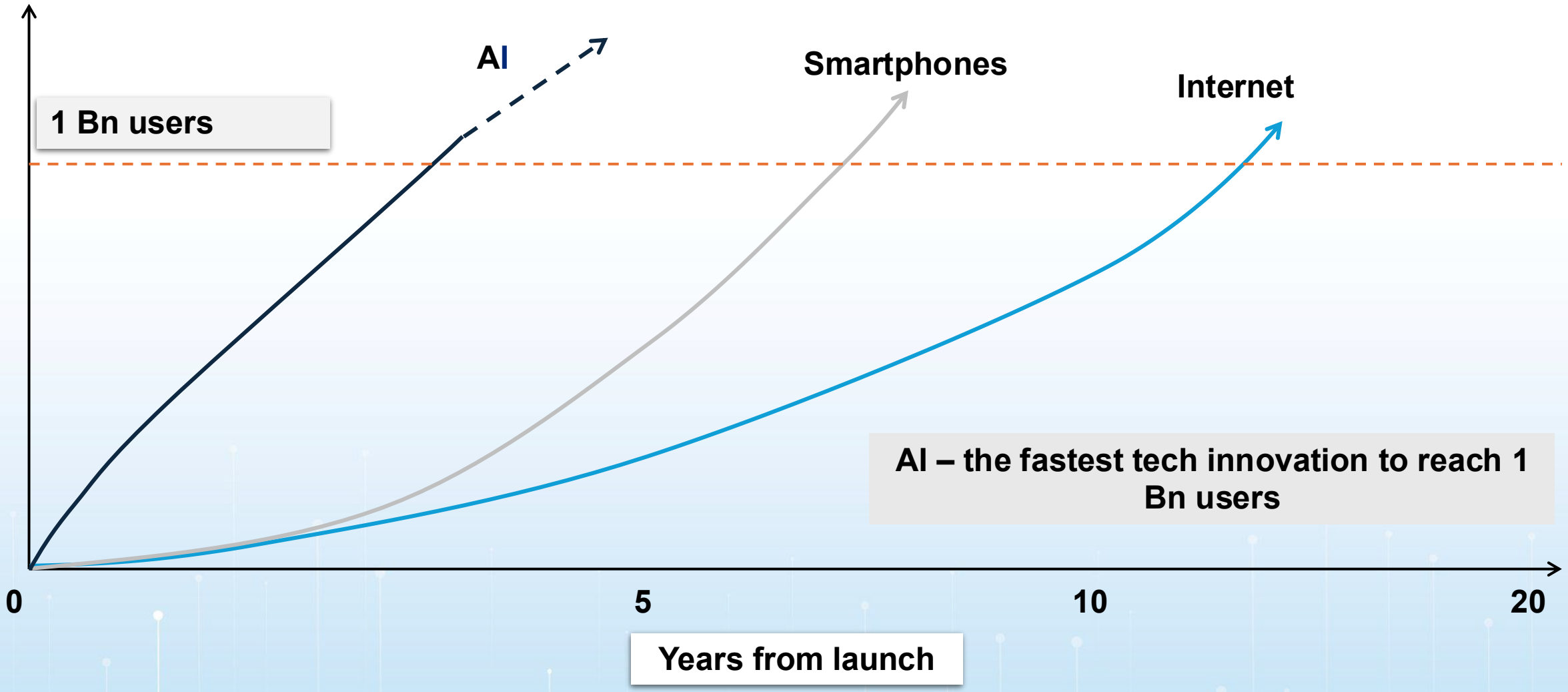
Mobile

Enterprise apps

Big data

Enterprise tech transitions

AI adoption is faster than the earlier tech transitions



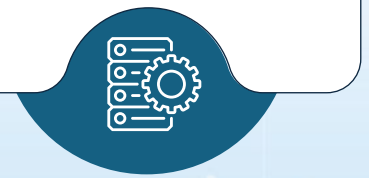
Public data sources

The shift has multiple dimensions

AI is not a layer of technology nor is an adjacency

Technology

- AI-ready systems
- AI-enabled data platform
- **AI-native architecture**

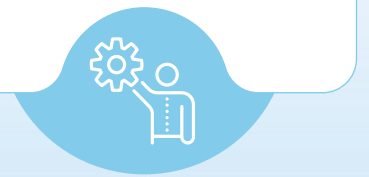


Business

- **Integrated business functions** with AI at core
- AI-embedded workflows

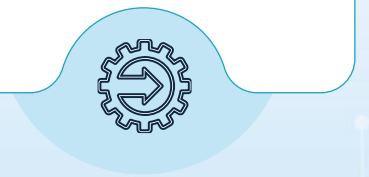
Talent

- Scalable **AI-augmented** workforce
- Adaptive learning and change management



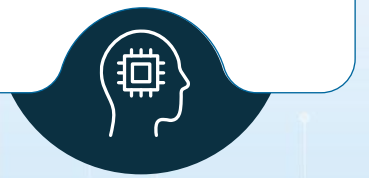
Operating Model

- Cross-functional knowledge graph
- **Exponential engineering**



Mental Model

- **Evident-first principle**
- Responsible AI



AI transformation is not a lift and shift; it requires a fundamental root and branch surgery

Modernization of legacy systems cannot be deferred anymore

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The true cost of delaying modernization

Financial drain	60-80% of IT budgets spent on outdated systems
Security vulnerabilities	Average breach detection exceeds 200 days in legacy environments
Innovation paralysis	Legacy systems act on data silos

Demand side needs modernization


Low agility


Tech debt


Slow rate of change


Cost of security

Supply side makes it easier


High rate of change


Enhanced Security and Compliance


Efficient & productive

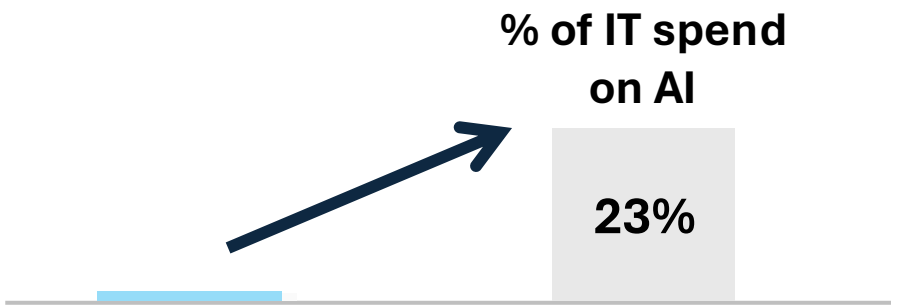

Easily scalable

Accumulated tech debt over decades must be paid

Source: US GAO, Adalo research

Build vs Buy: balance moves towards build and re-engineering as AI becomes the core

AI as a core of enterprise IT



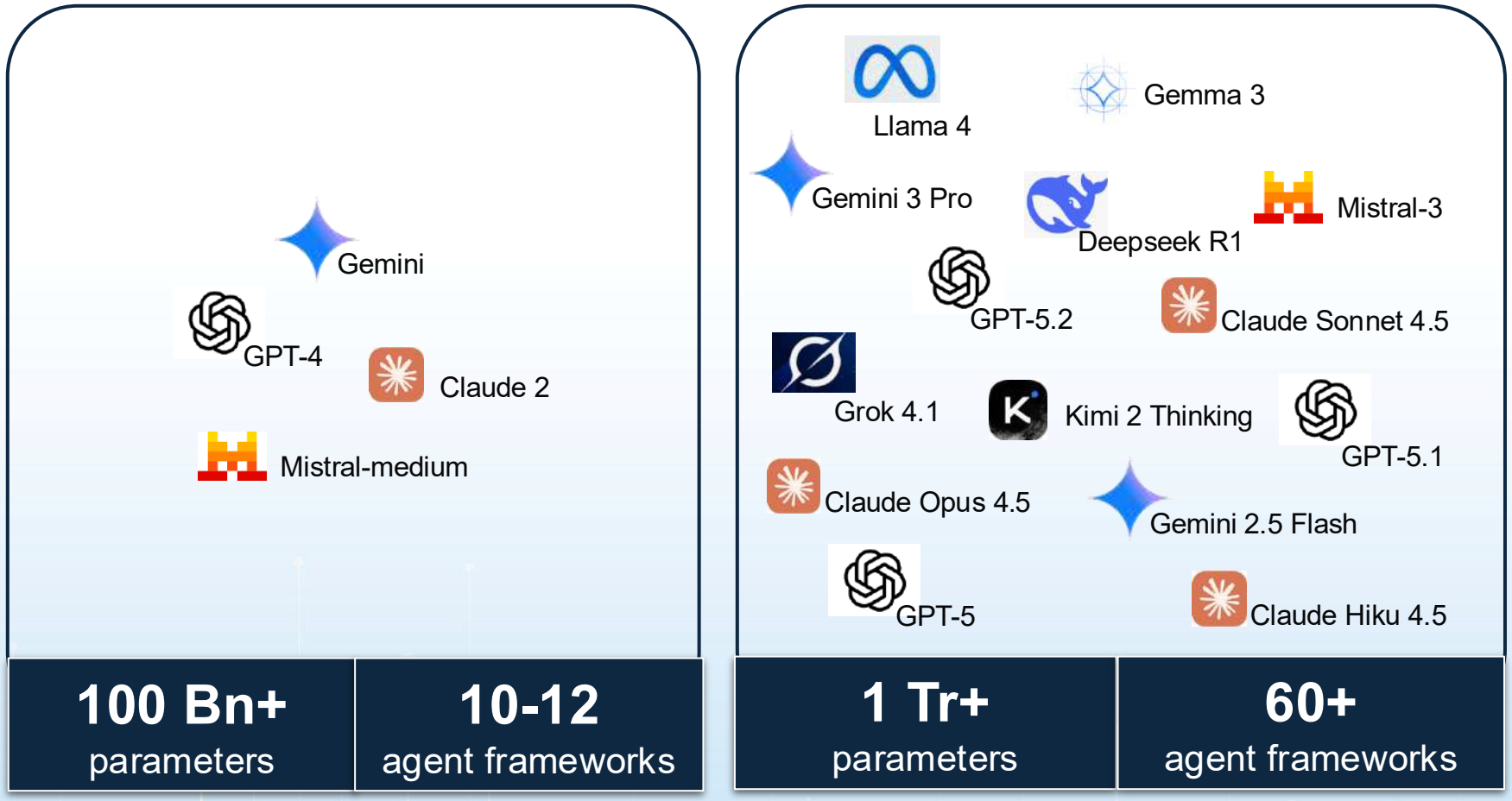
As of 2025, ~50% of firms have dedicated AI budget

Build	Buy
Customizable	Standardized
Proprietary	Vendor dependency
Organic and steady	Faster deployment
High internal control	External control
Continuous investment	Lock-in & renewals

Enterprises prefer proprietary agentic layer on top of the foundational models — building customizable to composable solutions

Source: Foundry's AI Priorities study, 2025

AI is evolving at an astonishing speed led by hyper competitive market, large capital access and rapid R&D



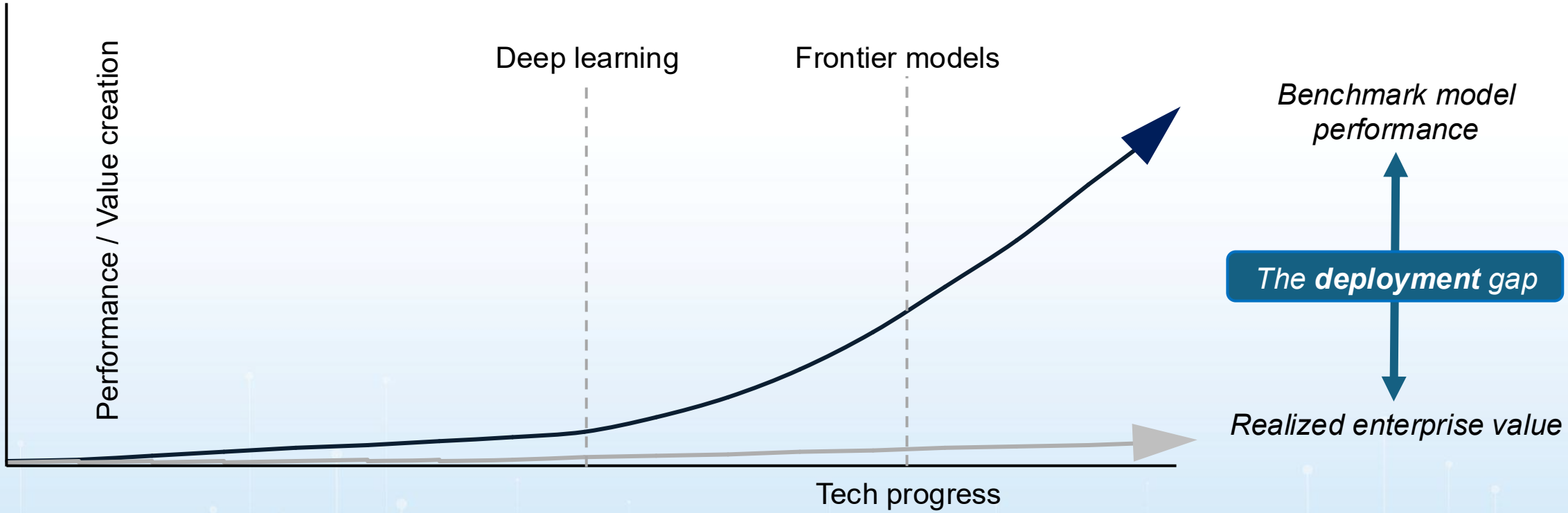
Innovation cycles are tightening

Leaderboards remain in constant motion, driven by a significant rise in AI investments — *spending rose from $24Bn in 2023 to $140Bn (E) in 2025.*

Source: Github, S&P Global, Medium

The foundational technology is ahead of its diffusion and deployment

A widening gap between AI progress and enterprise value



AI progress is outpacing enterprise readiness

Source: Snorkel

Talent demand is pivoting from legacy roles to high-growth AI skills

Fastest declining IT jobs

- Front-End Web Developers
- QA Testers
- IT Support Specialist
- Blockchain Developers

92 Mn Traditional jobs to be displaced

New/upcoming IT jobs

- Data Annotator
- AI Forensic Analyst
- AI leads
- AI Engineer
- Forward Deployed Engineers

170 Mn New jobs to be created

Source: WEF

Greenfield AI development is easier than brownfield

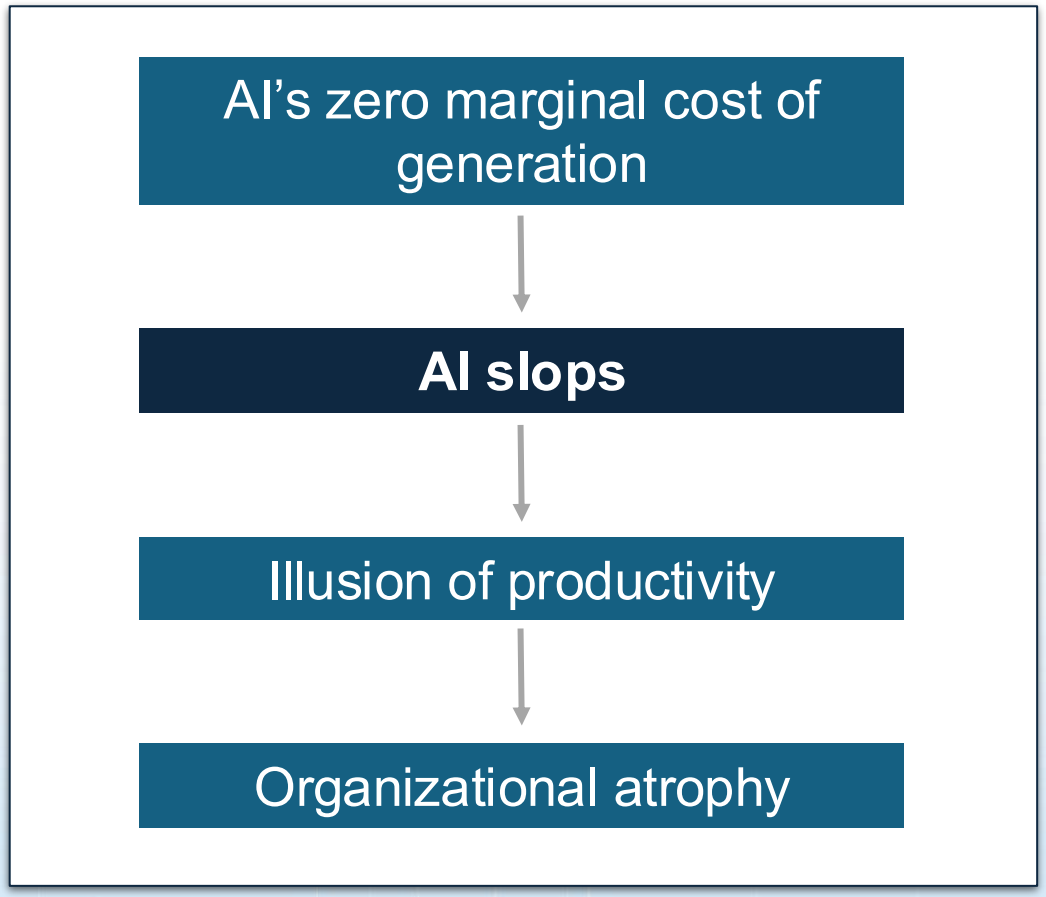
The greenfield-brownfield productivity gap

New build environments	Legacy environments
• Clean structure and consistent patterns • Real-time data availability	• Technical debt • Data silos • Undocumented dependencies
• Structured environments • Probabilistic	• Brownfield = high overhead + rework • Deterministic
Task level	**Business function level**
15-50% productivity	Only **1%** fully scaled to AI

Organizational productivity is different from task level productivity

Source: Mckinsey, International Center for Law & Economics

AI implementation requires laser focus



- **Structure AI usage guidelines**
- **Set clear quality gates for AI content**
- **Maintain explainability & traceability**
- **Establish AI value capture instead of usage**
- **Empower high skilled workforce**

AI investments are meaningful only if they lead to major productivity gains

What still matters

- First Principles thinking
- Understanding enterprise context
- Agnostic design
- Getting the house in order
- Leadership in effective change
- Strong collaboration
- Intense focus on productivity
- Engineering bent of mind

Thank You