

Investor Presentation

January 2021

Forward Looking Statements



Certain statements in this release concerning our future prospects are forward-looking statements. Forward-looking statements by their nature involve a number of risks and uncertainties that could cause actual results to differ materially from market expectations. These risks and uncertainties include, but are not limited to our ability to, manage growth, intense competition among global IT services companies, various factors which may affect our profitability, such as wage increases or an appreciating Rupee, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on cross-border movement of skilled personnel, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which TCS has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property, pandemics, natural disasters and general economic conditions affecting our industry. TCS may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements.



Tata Consultancy Services

\$22.0 BN

Revenue FY 20



24.6%

Operating Margin FY20

Among the **Top 10**
Global IT Service Providers



469,000+

Employees
nationalities

187 Solution Centers
in 19 countries



\$147 BN

Market cap – Dec 31, 2020



170,000+

Women employees



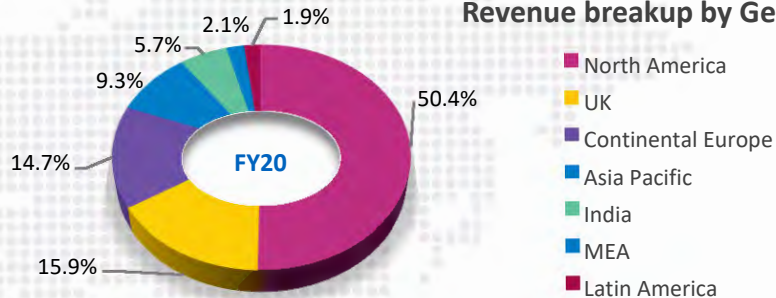
7.6%

Lowest attrition in IT Services
in the industry Dec 31, 2020

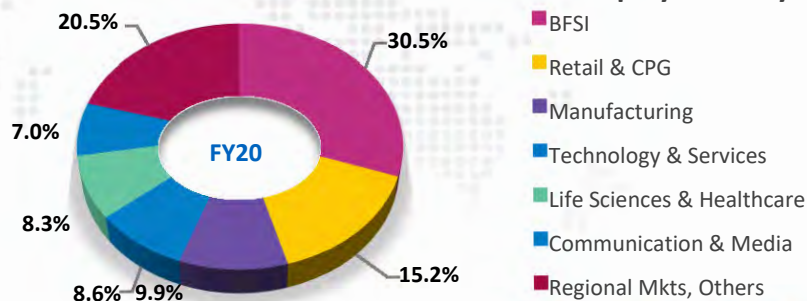
We Are...

A global IT services, consulting and business solutions leader partnering with the world's leading businesses in their transformational journeys

Revenue breakup by Geo



Revenue breakup by Industry



The Fastest Growing Brand In IT Services



TOP 3
IT SERVICES
BRAND



FASTEST GROWING
IT SERVICES BRAND
FOR THE DECADE
2010 - 2020



Ranked amongst the Top 3 brands in IT Services globally by brand value and the fastest growing brand of the decade



Ranked Global
Top Employer by the
Top Employers' Institute

Ranked #1 in Customer
Satisfaction in Europe in
Whitelane Research's
poll of large enterprises.

Given the Best of Best
award by the Association
of Talent Development
for L&D Program

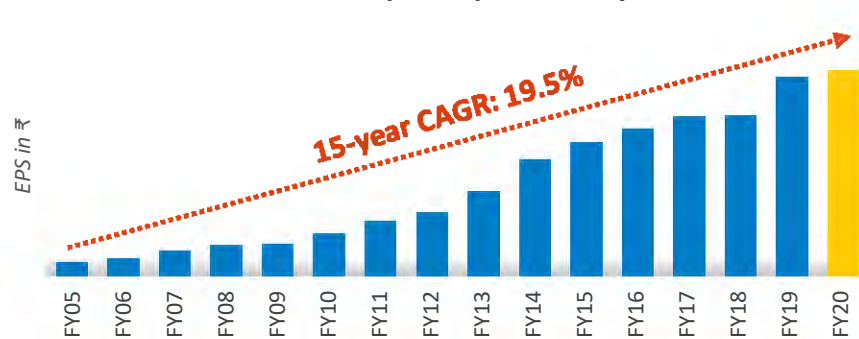
Named Outstanding
Company in IT Services
in India in Asiamoney's
2020 Investor Poll

The Journey So Far

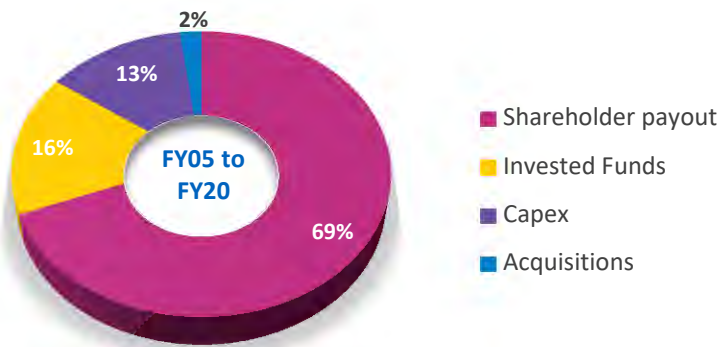
Industry-leading topline growth ...



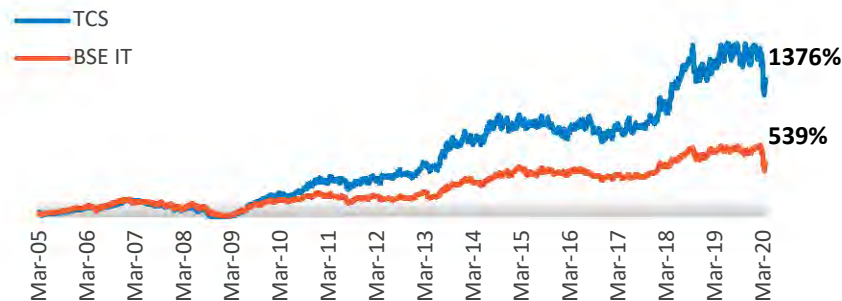
... with superior profitability



Judicious usage of cash ...



... and higher-than-benchmark share performance



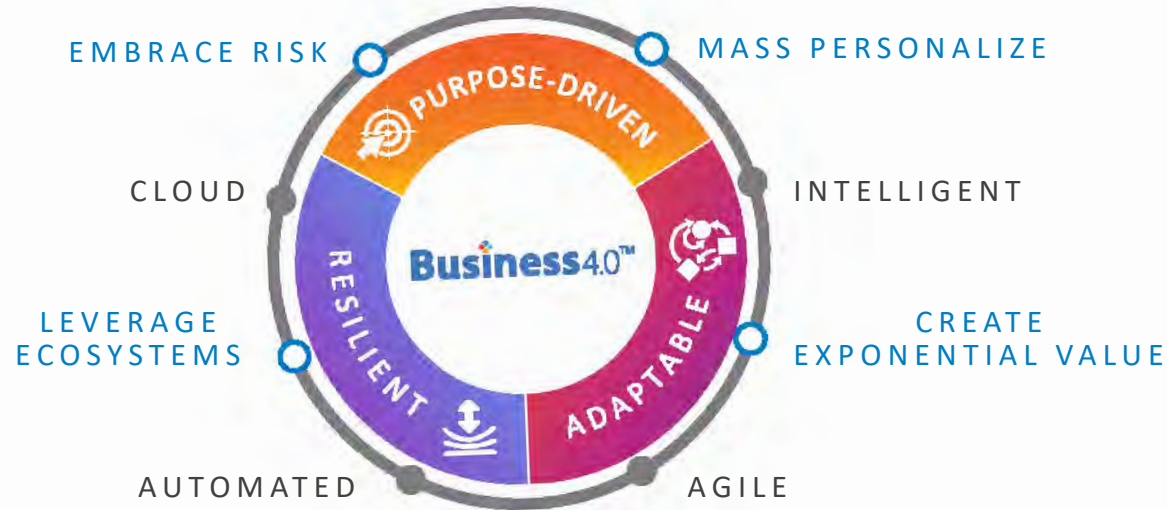
Leading Technology Change

Lead in the New Normal with Business 4.0™

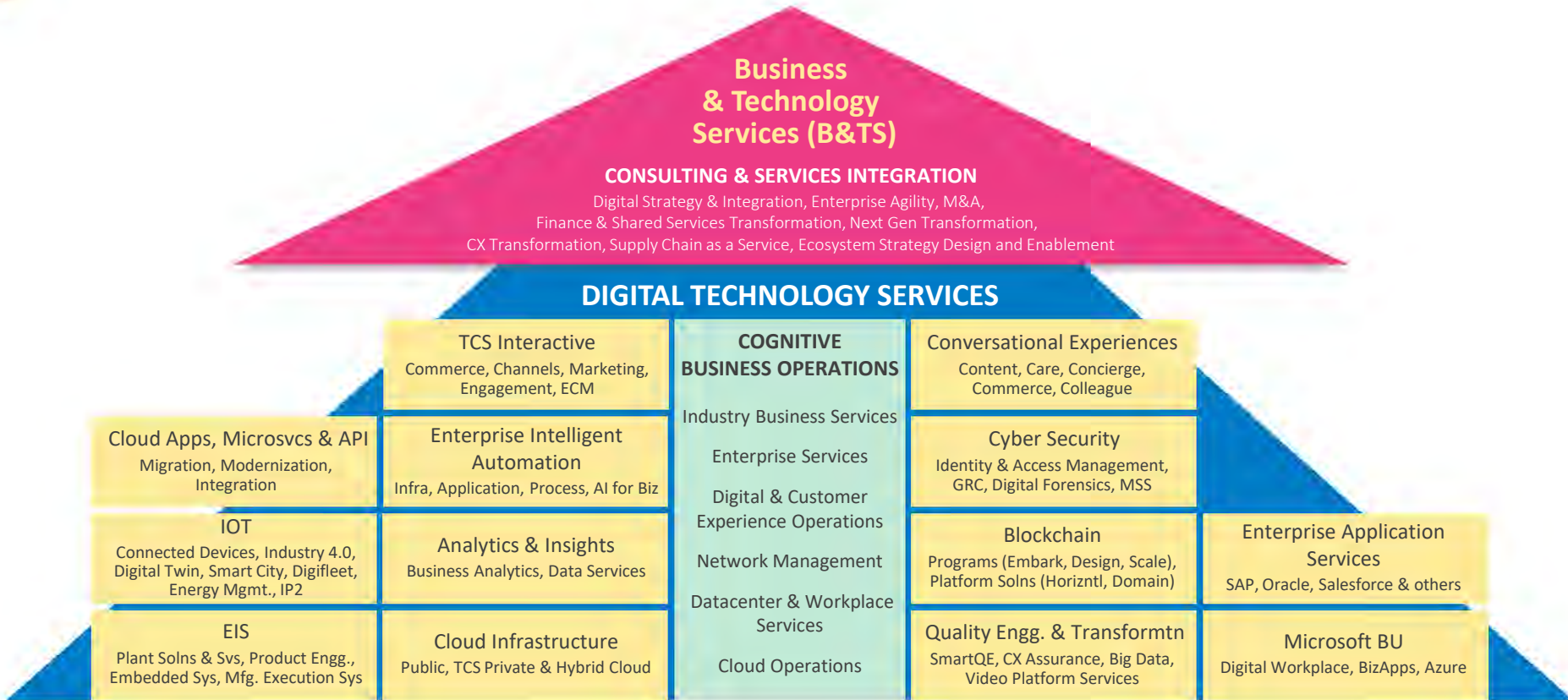
PURPOSE - DRIVEN.

RESILIENT.

ADAPTABLE.



Digital Transformation Offerings



Secure Borderless Workspaces (SBWS™)

96% of TCS employees work remotely

Increased throughput;
TCS Security
BitSight score 800+,
above industry avg

Over 400K employees enabled in days;
100+ large Live events



Over 25,000 projects delivered to SLAs;
CSI improved from 93.2 in Jan'20 to 93.93 in Jun'20

3-4-5 Framework deliver resilience & service innovation

Over 2.2M AV Calls
136M Messages
2.39M SBWS™ Meetings

Accruing Benefits of Business4.0™

Partnering with DAMEN to Reinforce its Reputation as a Maritime Innovation Pioneer

Damen, the Netherlands-based international shipyard group, has built a reputation for building quality-built customer and increasing access to ships, yards and other vessels in the Business4.0 era. Damen wanted to take its product innovation to the next level.

As Damen's innovation partner on this journey, TCS used its "Stronging Life to Things" ad approach to envision an integrated Connected Vessel platform that will cloud-edge computing and advanced analytics to make Damen ships smarter and more connected with improved safety, sustainability and efficiency, and with which Damen can launch new services and even new business models. The platform collects 700 data points from the newly 10,000 sensors in each ship, giving Damen complete visibility into each vessel's fuel levels,

high safety and engine performance speed, fuel consumption and so on.

The new platform has enabled the launch of value-added services such as fleet management and predictive maintenance, helping customers reduce fuel consumption by 10%, improve safety and enhance vessel utilization. It also enables co-innovation with marine equipment makers like suppliers, insurers and port authorities, to launch a more holistic customer experience and ultimately other shipping as a service.

Partnering with TCS for its growth and transformation has helped Damen achieve its transformation from being a shipbuilder to a maritime solutions provider, create new revenue streams, boost profitability and reinforce its position as an innovation pioneer in the maritime industry.

"Damen is at the forefront of digital innovation in the maritime industry, using new technologies for remote monitoring and eventually to build autonomous vessels. We selected TCS as our strategic partner because of how well their innovation philosophy is aligned with ours, and for their experience in successfully executing large-scale programs elsewhere. Their digital expertise, creative ideas and intellectual property have helped us scale and speed up our business transformation journey."

Amotz Damen
CEO, Damen Group

Business 4.0 Index 1/20

Helping M&G Innovate and Reimagine Customer Engagement

Today's customers have higher expectations of the experience and the value they get from their savings and investment products. However, complex, legacy IT landscapes and fragmented customer data can hinder the ability to innovate and meet these expectations.

Taking that challenge head-on, M&G plc entered into a 10-year strategic partnership with TCS to transform its Heritage UK life and pensions business by building a smaller customer-focused operating model, which is digitally enabled, allowing it to respond quicker and better to its customers' needs.

TCS' approach, working in partnership with M&G, enabled radical simplifying the IT landscape, reimagining customer engagement, redesigning operations for greater resilience and providing single and unified administrative services using the TCS BPS Platform for UK and Ireland, powered by TCS SaaS™. In just six months, TCS onboarded 1.4 million customers and their policies, delivered a new customer experience solution, CRM and complaint management solutions, and an online-based claim platform.

The unified customer data and analytics on the new platform have enabled a more holistic approach to expanding the customer experience, focused on the end-to-end customer journey and not just individual transactions. The new digital bond claim service has reduced customers' wait time for cash

withdrawal by almost 80%. UK pension has reduced claim processing time by 50%, and the total cost of ownership has been reduced by almost 50%.

For more than 170 years, M&G has delivered good outcomes for savings and investment customers through product innovation and high customer service. Our strategic partnership with TCS is an essential element of our ongoing work to create a digitally enabled M&G so that we can continue this great track record. The primary focus has been on our Heritage business to form the customer experience for over 3 million potential policyholders in the UK. We have worked together to build a new digital MyHer platform, transformed our operations to be focused on the end-to-end customer journey and migrated our most complex administrative system, SALAS, to the industry leading TCS BPS™ platform. Leveraging the TCS innovation network and experience, we have achieved a lot together. We look forward to continuing to work and learn together, as we continue to meet the needs of customers and their advisors, and as we seek to exceed their expectations on service."

John Foley
CEO, M&G plc

Business 4.0 Index 1/20

Enabling Woolworths' Teams to Deliver Superior In-Store Customer Experiences

Woolworths, Australia's largest supermarket group, stores building a Customer First brand, team and culture as its foremost strategic priority. In this regard, they launched a store transformation program that aimed to empower store teams consistent with safe and accurate many routine back-office tasks, freeing up time for customer engagement to improve the customer experience.

TCS, as the strategic partner in this program, worked in close collaboration with Woolworths to help build a fully equipped, down-regulated, centralized platform to enable the vision of a connected store and empowered team members.

The platform allows store teams members to a more flexible, selected up sessions through mobile RF devices by capturing their day-to-day business. It provides intelligence in the form of a 360-degree view of the store inventory, real-time stock adjustments, efficient management of store deliveries and stocktakes, enhancing productivity and speed and ultimately providing a better customer experience.

Its intuitive user interface has allowed for quick, universal acceptance by the 50,000+ store team, with minimal training. Long targeted implementation adoption time, the solution was successfully deployed across 3000+ stores across 7 different brands, within just six months.

TCS Annual Report 2019/20

In the next phase of the store transformation journey, TCS is working with Woolworths and its partners to pilot innovations such as robotic and computer vision to monitor safety and inventory, intelligent monitoring through AI and a host of other technology-led innovations.



"Our store transformation program is part of the wider transformation we have made in achieving the Group's strategy to enable consistently good customer and team experiences."

TCS has been a critical partner in this journey. They have demonstrated deep contextual knowledge of our business and come up with one of the best ideas to address some of our technology challenges and opportunities. They are key to ensuring that our systems can securely and go on to be a key part of our business. We have worked with TCS for several years, based on their delivery and service to provide outstanding service and support."

Julia Brier
CEO, Woolworths Group

Business 4.0 Index 1/20

Powering Vitality UK's Ambition to be an Insurance Brand that is Positively Different

Traditionally, selling health insurance does not offer too many opportunities for customer engagement. Post-purchase, the interaction is usually limited to claims processing. And yet, one insurer has built an innovative, purpose-driven business model that is helping build deeper relationships, support customers in achieving better lives and become a beloved consumer brand.

Vitality, the wholly owned subsidiary of South African giant Discovery, is a pioneer of the increasingly successful shared value business model. It engages with policyholders continually to encourage positive behavior that promotes wellness, and in the process, reduces costs and builds positive relationships between the business and its customers.

Vitality actively promotes the adoption of healthy lifestyles by its members, incentivizing them to undertake regular activity through a generous rewards program that is redeemable across a curated partner ecosystem.

TCS has been an innovation partner in this transformation journey, helping build the enabling technology layer for the wellness-oriented insurance ecosystem. TCS consolidated and simplified its technology stack, modernized its policy administration system and integrated it with the Vitality rewards platform. A customer portal makes individuals aware

of their risk factors and ways to improve their health, track their reward points and redeem them. The analytics layer provides a unified customer view across customer relationship, claim processing, and policy servicing.

Vitality's innovative model has resulted in greater member engagement, driving revenue and profit. New business revenue grew 15%, and operating profit grew 20% in 2019. Best of all, it also will go on to help its members to be an insurance brand that consumers will love. In five short years, Vitality is among the top 5 market leaders in the UK and expects a 50% compound total return.

"The Vitality Shared Value model is based on the concept of interventions that will inspire behavioral change among our members – benefiting the person, not just the insurer and also wider society. Technology is a critical strategic enabler in our model. Partnering with TCS significantly accelerated our transformation journey, helping us launch newer innovations faster, while delivering a consistent, integrated experience for our members."

Kris Tokarzewski
CTO, Vitality UK



Business 4.0 Index 1/20

<https://on.tcs.com/Annual-Report-2020>

Strategic Investments

“There are no legacy people, only legacy technologies”

Scalable Reskilling using
the Digital Learning Platform

Access: Anytime, Anyplace,
Any device

Content: Rich & Expanding
Crowd sourced “faculty”

Delivery: Domain-infused,
Culture focused, Gamified

Infrastructure: Cloud based,
Immersive and Virtual

► Analytics and Insights



Cloud ◀



► Mobility, Digital Marketing



IOT & Cyber Security ◀



3Q FY21 Highlights:

366k+ associates trained in New Technologies | 12.1 Mn learning hours

Unmatched Speed To Market using Location Independent Agile™

With our thought-leading **Location - Independent Agile™** model, we are helping customers adopt Agile at scale, for large transformational programs.

Customers are reporting spectacular business benefits :

Open Agile Collaborative Workspaces



6,000+
Agile
engagements



1,000+
Agile delivery
centres




444K+
Agile-trained
employees

30% to 50%
Increase in
Speed to Market



50% to 70%
Improvement
in Quality

>90%
End User
Satisfaction

Agile makes you future proof and for any kind of organization it is easier said than done..... But the way it has been **approached in TCS in a very disciplined way**, making sure that you make it step-by-step, moving forward, is really an **absolute joy** to see. 

Arie Van Bennekum,
Co-author of Agile Manifesto

Helping Customers Scale Their Innovation

Foundational Research

Computing, Physical Systems, Sciences, New Materials, Robotics, Sensing of Machines

Industry-Specific Research

BFSI: Blockchain, Data Marketplace, Analytics, Compliance Monitoring | **Retail:** Algorithmic Retail, Price Optimization, Immersive Store Experience | **Utilities:** Solar value chain, Energy value ecosystem | **Life Sciences:** Digital Clinical Trials, DNA Sequencing, Genomics, Microbiomes, Translational Research

Extended Ecosystem

Emerging technology companies, alliance partners, accelerators and academia



On-Demand Innovation



tcs PACE

- ▶ Sharing of ideas at the TCS Innovation Forum
- ▶ Early Stage PoCs/PoTs
- ▶ Innovation Champions
- ▶ Custom COIN™
- ▶ Bespoke Innovation Days
- ▶ Crowd Sourcing Innovation through Hackathons/ Ideathons
- ▶ Design Thinking and Agile Innovation at a Pace Port™

1,000+

Researchers

1,713 / 5,634*

Patents

30+

Innovation Labs

250+

Publications

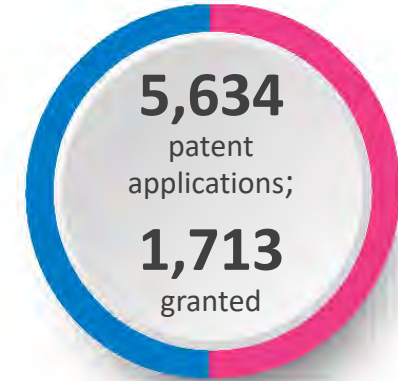
~250 MN

USD investments

* Granted / Applied

Products and Platforms

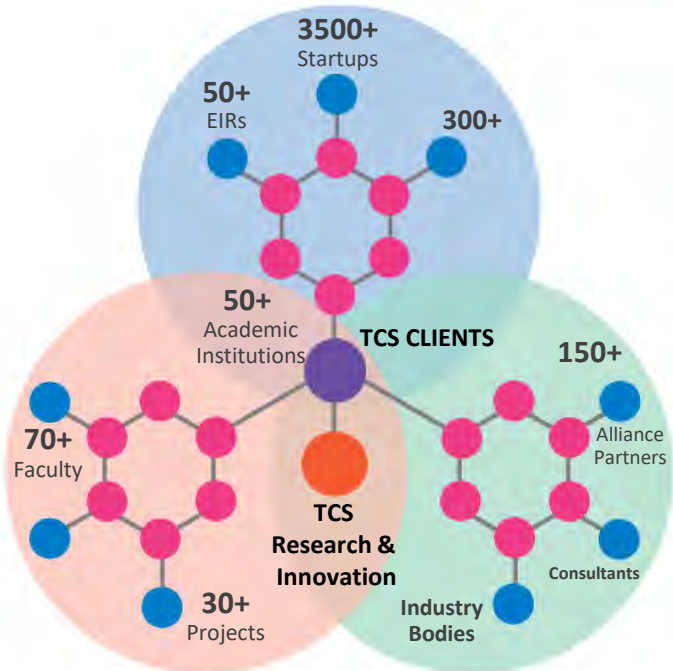
BFSI	TCS BONCS	TCS MasterCraft DataPlus	DevPlus TransformPlus	DevOps
Retail	OmniStore™ Optumera™	SupplAI™	ignio	Cognitive AI
Life Sciences	TCS ADD	jile		Agile Tools
CMI	TCS HOBS	CHROMA™ <small>Cloud Governance and Compliance</small>		HR
Smart Cities	CX IUX	tap		Procure to Pay
SMB	iON <small>Intelligent Operations Network</small>	QUARTZ™		BlockChain
FRAMEWORKS		The Connected Universe Platform		DatOm
				TCS Decision Fabric



22 Institutional awards & professional recognitions

- IP Enterprise Trophy by World IP Organization
- National IP Award
- Asia IP Elite

TCS Co-Innovation Network (COIN™)



TCS' start-up program is organic, highly structured, and currently one of the largest among services companies

Mette Ahorlu
Research Director, IDC

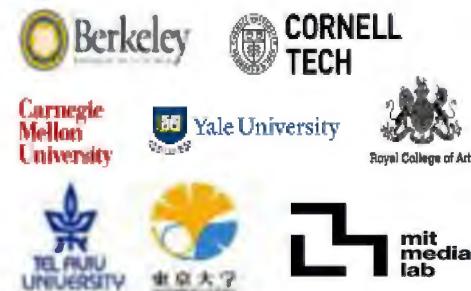
Startups & Accelerators



Alliance Partners



Academic Partners



TCS Pace Ports™

TCS Pace Ports™ are experiential spaces which allow customers to experience the transformational power of TCS' research, innovation and digital prowess come alive under one roof

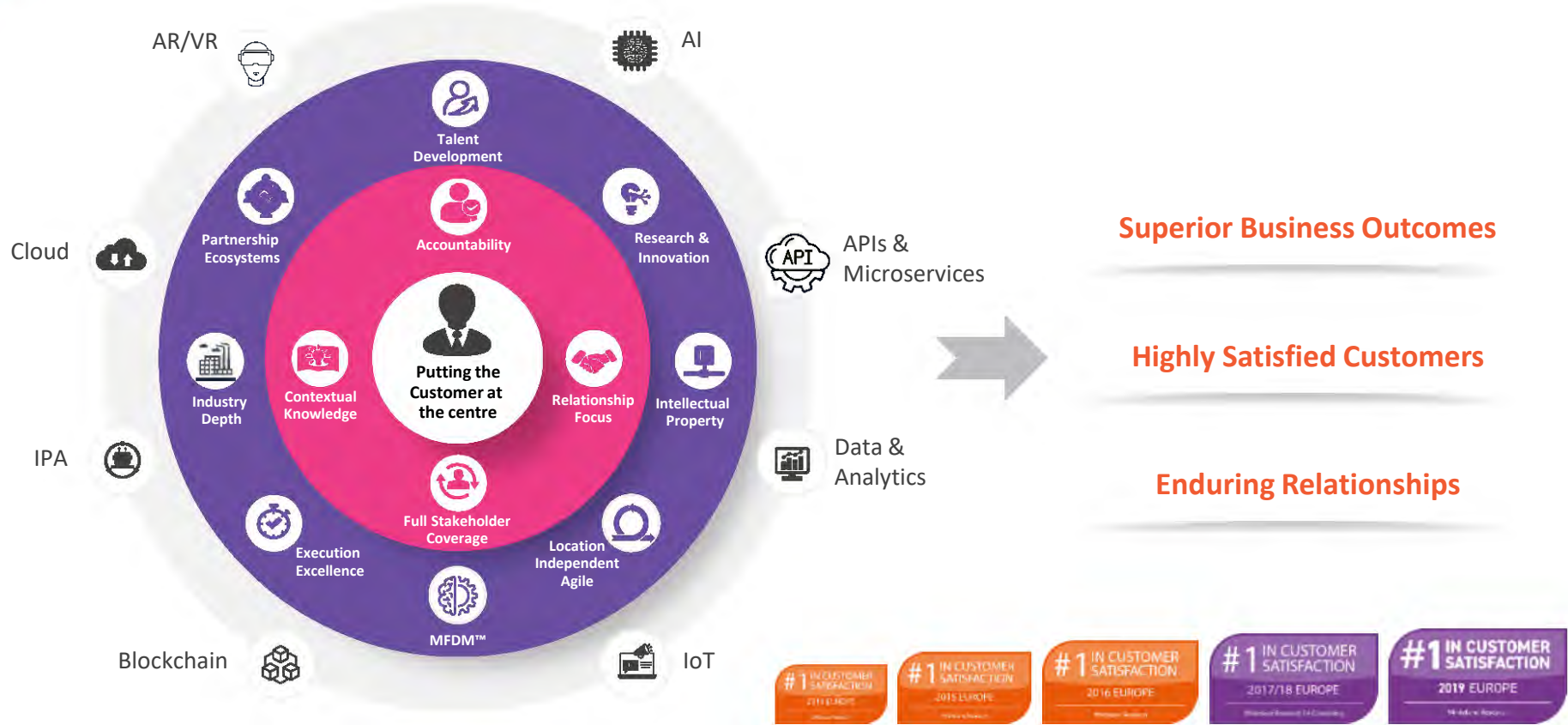
TCS Pace Ports enable customers to:

- Summon the best of the start-up ecosystem: **TCS COIN Accelerators**
- Engage with the Best of Academia through: **Academic Research Labs**
- Develop nimble business model to embrace breakthrough technologies: **Agile Workspaces**
- Consume the best of TCS' Thought Leadership: **Digital Libraries**
- Explore digital drivers for growth and transformation: **Innovation Showcases**
- Watch ideas come alive: **Rapid Labs**



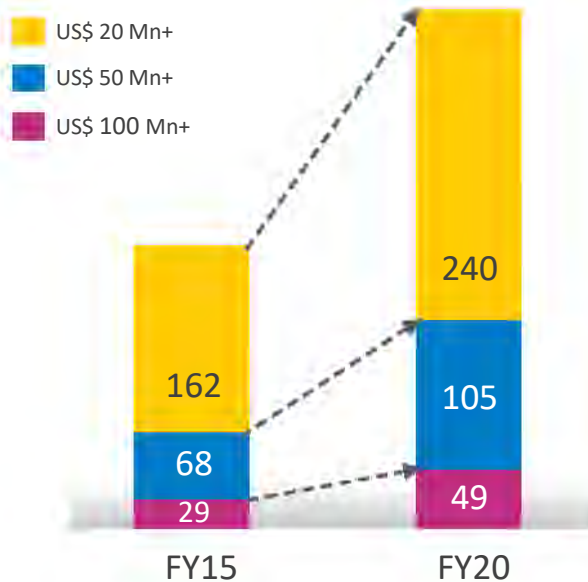
Longer Term Growth Strategy

Customer-centric Strategy: Going Deeper, Casting Wider

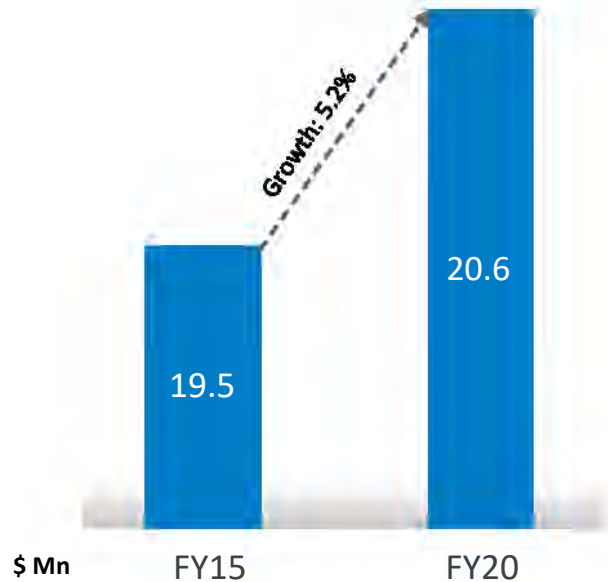


Going Deeper, Casting Wider: Business Outcomes

Large Client Metrics

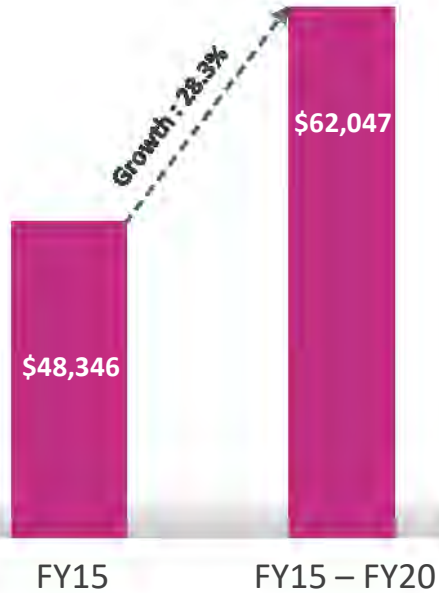


Rev per US\$1 Million Client

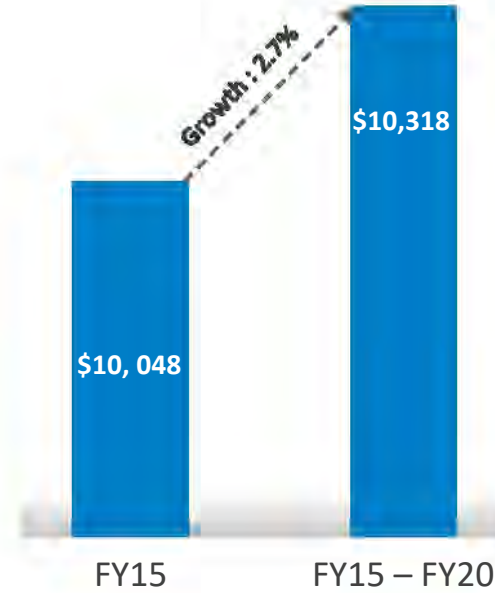


Going Deeper, Casting Wider: Financial Outcomes

Revenue per capita (\$cc)

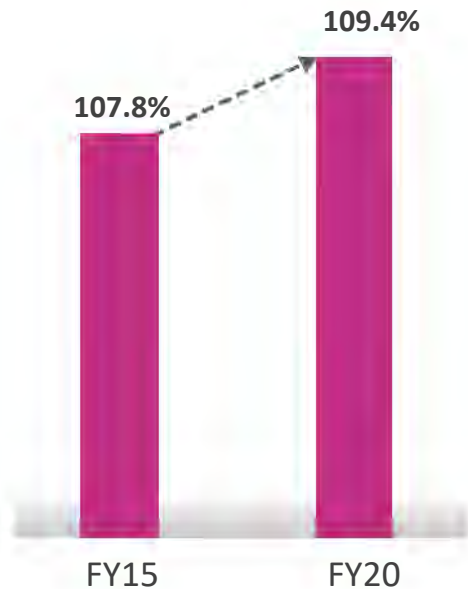


Net Income per capita (\$)

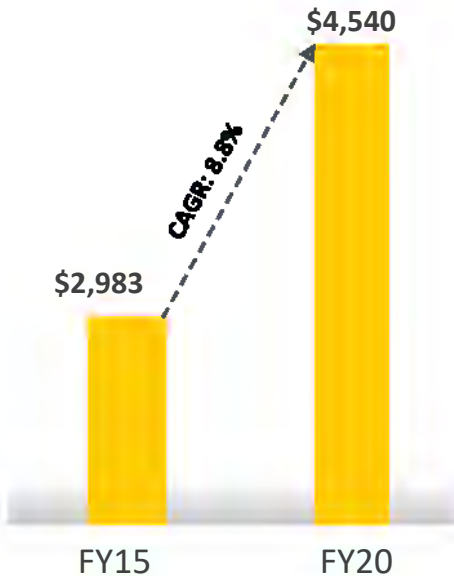


Cash Flow

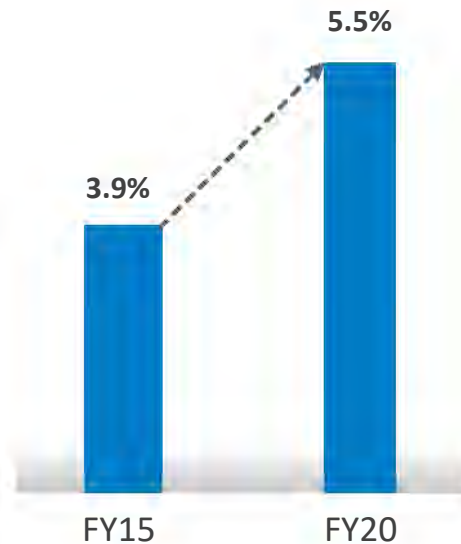
Cash Conversion
OCF to Net Income



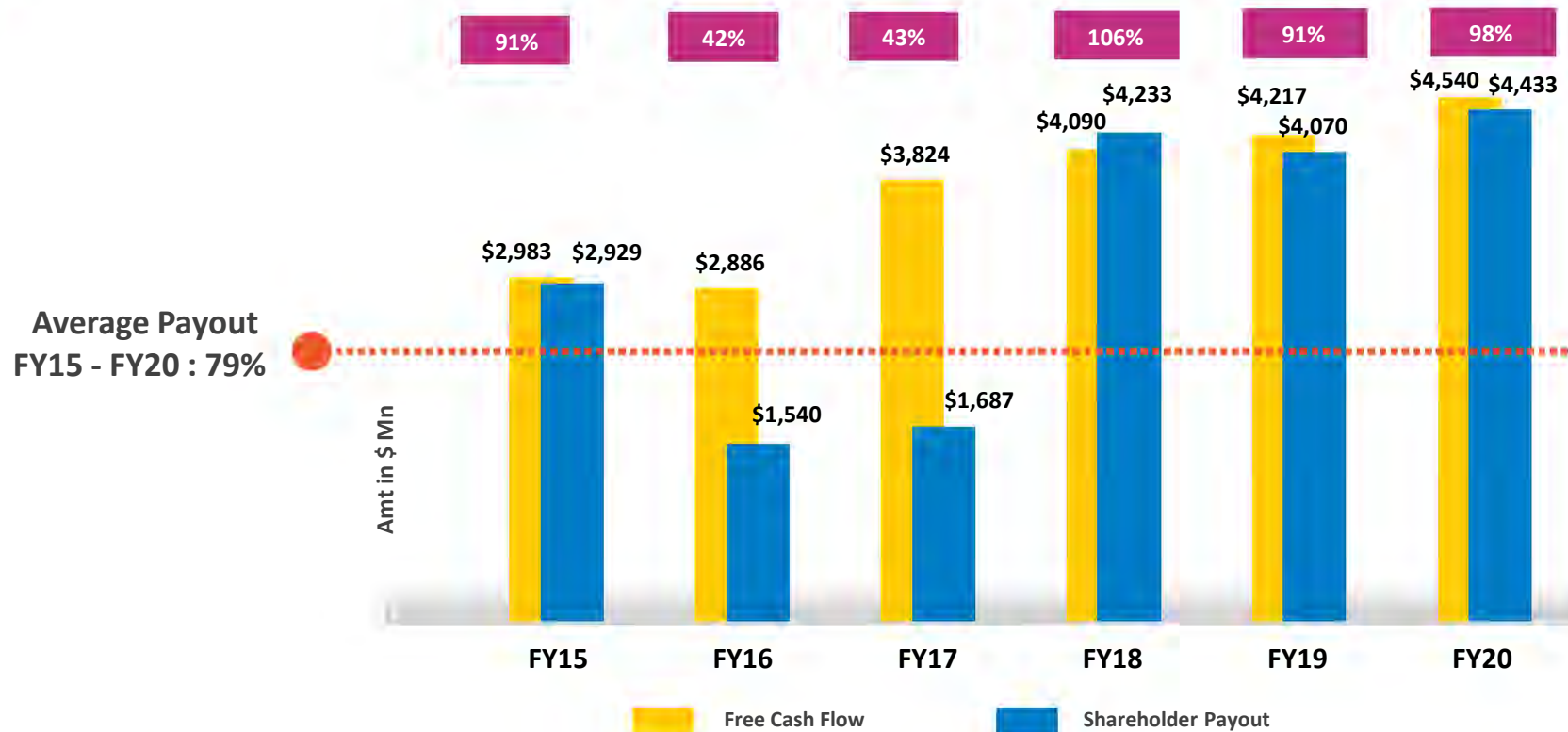
Free Cash Flow
USD Mn



Free Cash Flow/
Enterprise Value

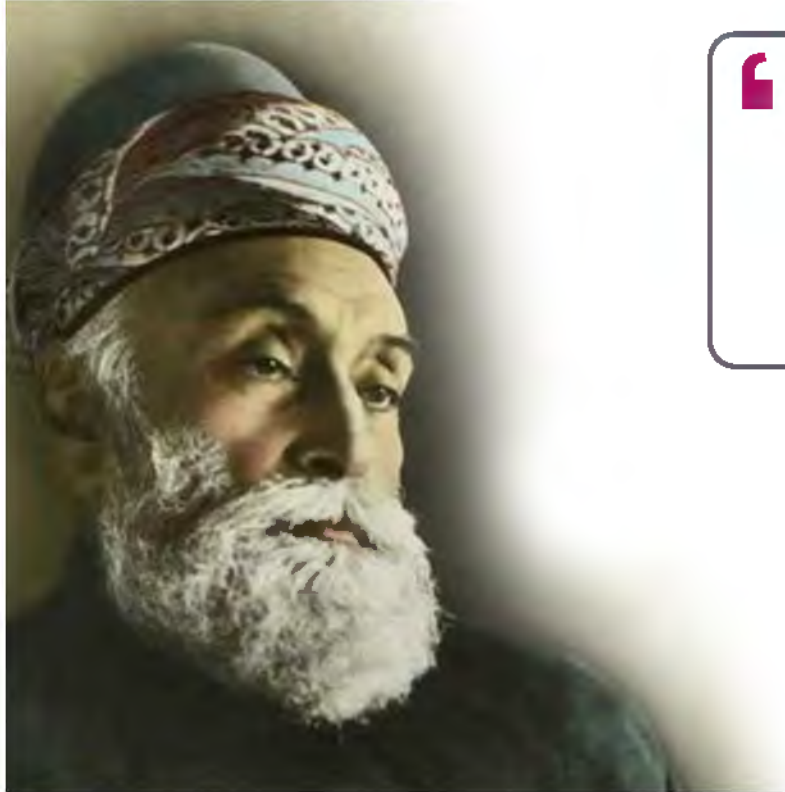


Shareholder-friendly Capital Allocation



Shareholder Payout as % of Free Cash Flow

Unique, Purpose-Driven



“In a free enterprise, the community is not just another stakeholder in business, but is in fact the very purpose of its existence.”

- J N Tata
1839-1904



For every \$1 returned to shareholders by TCS, a portion goes back to the community through the Tata trusts, giving TCS a unique, purpose-driven worldview

TCS In The Community

Wellness

TCS promotes health and wellness in all the communities it works in. We are title sponsors of leading Marathons across the globe, and continuously applying innovations to healthcare practices and awareness



OFFICIAL MOBILE APP PARTNER



TATA CONSULTANCY SERVICES



STEM Education

In countries like the UK, North America, LatAm and Australia facing shortage of tech skills, TCS has devised various programs and reached over 310,000+ students in FY 2020 through STEM initiatives to spark interest in science and technology

Skills development

TCS' Education and Skill Development initiatives cover the entire life path of students from school to Ph.D. as also skilling and adult literacy that enables livelihood.

IGNITE MY FUTURE

it Employability



In Summary: TCS Strategy Driving Differentiated Outcomes

Market Trends



- More and more industries are leveraging technology to differentiate themselves
- Customers want solutions to business problems and not just technology skills
- Non CIO buyers emerging in enterprises
- Transformational partners selected based on solution quality and time to market
- Greater platformization of business
- Pandemic disruption highlights need for operational resilience and enterprise adaptability

TCS Approach



- Position as a growth and transformation partner
- More investment in research and innovation, co-innovation and collaboration
- Domain-specific IP
- Greater focus on contextual knowledge
- Proactive solution selling
- Full stakeholder services
- Leverage TCS' contextual knowledge, Location Independent Agile, Machine First Delivery Model and Intellectual Property
- Launch of cloud based platforms and new business models
- Leverage IP portfolio
- Launch of Secure Borderless Workspaces™
- Greater focus on Location Independent Agile™ and MFDM
- Promote operating model transformation using AI

Outcomes



- Industry-defining mega deals
- Thinner competitive set
- Higher quality revenue
- More fulfilling work, better retention
- Expansion of addressable market
- Higher profile, strategically more important engagements
- Thinner competitive set
- Higher quality revenue
- Large deals that improve business visibility
- Expansion of addressable market
- Frees up spends for systems of differentiation
- Greater focus on resilience and adaptability

Annexure

Financial Highlights

IFRS

Amount in USD Mn, unless otherwise stated

	Yearly			Quarterly		
	FY20	FY19	YoY	3Q21	3Q20	YoY
Revenue growth – Constant Currency	7.1%			0.4%		
Revenue - ₹ Mn	1,569,490	1,464,630	7.2%	420,150	398,540	5.4%
Revenue	\$22,031	\$20,913	5.3%	\$5,702	\$5,586	2.1%
Gross Profit	\$9,069	\$8,753	3.6%	\$2,373	\$2,311	2.7%
Gross Margin	41.2%	41.9%	(69 bps)	41.6%	41.4%	25 bps
Operating Income	\$5,414	\$5,347	1.3%	\$1,517	\$1,398	8.5%
Operating Margin	24.6%	25.6%	(99 bps)	26.6%	25.0%	158 bps
Net Income	\$4,541	\$4,494	1.0%	\$1,180	\$1,138	3.7%
Net Margin	20.6%	21.5%	(88 bps)	20.7%	20.4%	32 bps
EPS in ₹	86.19	83.05	3.8%	23.19	21.63	7.2%

Thank You
