Tata Consultancy Services

Investor Presentation

August 2024

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, cyber attacks or security breaches, 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

$29.1 BN
Revenue FY 2024

24.6%
Operating Margin FY 2024

2023 Brand Finance® Awards
TOP 2 MOST VALUABLE IT SERVICES BRAND

$19.2 BN
Brand value assigned by Brand Finance

601,000+
Employees

300,000
AI/ML and Gen AI trained employees

184
Solution Centres

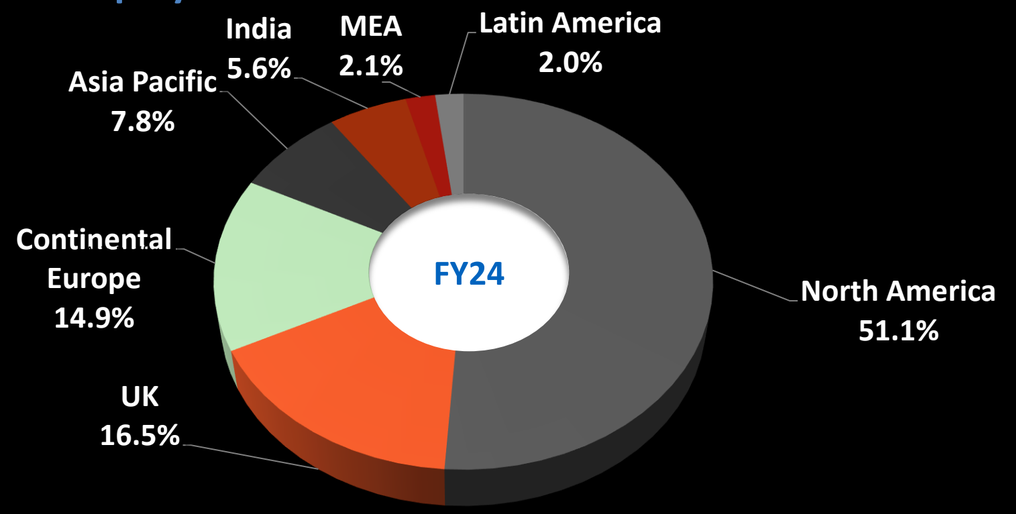
210,000+
Women employees

$168 BN
Market cap – Mar 31, 2024

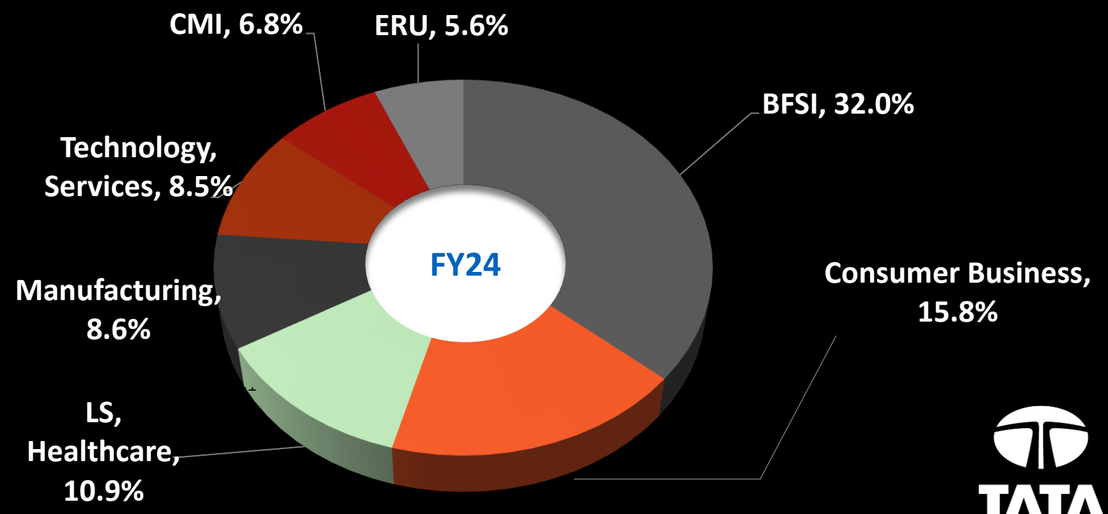
We Are…

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



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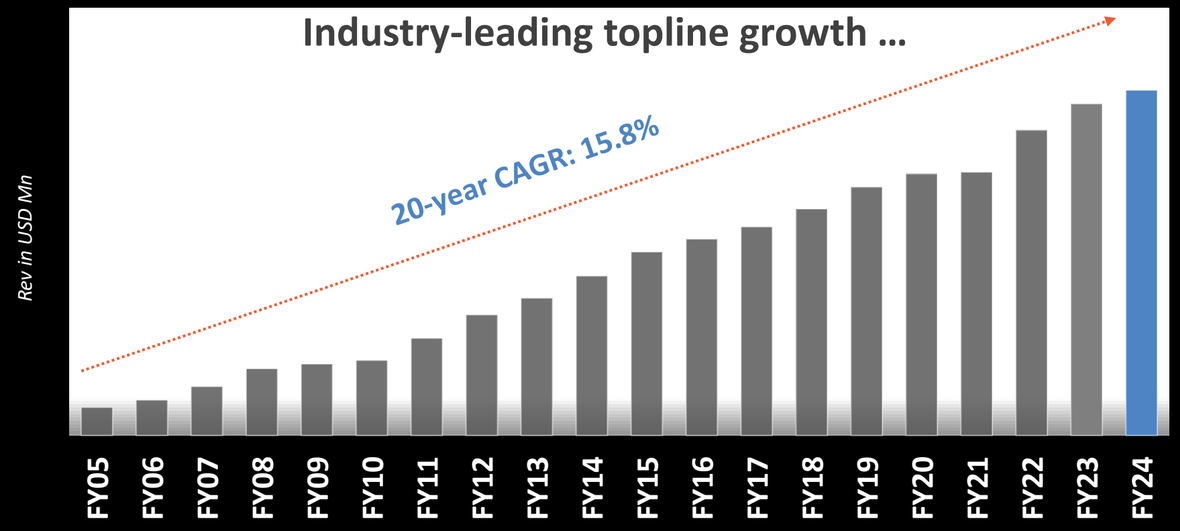
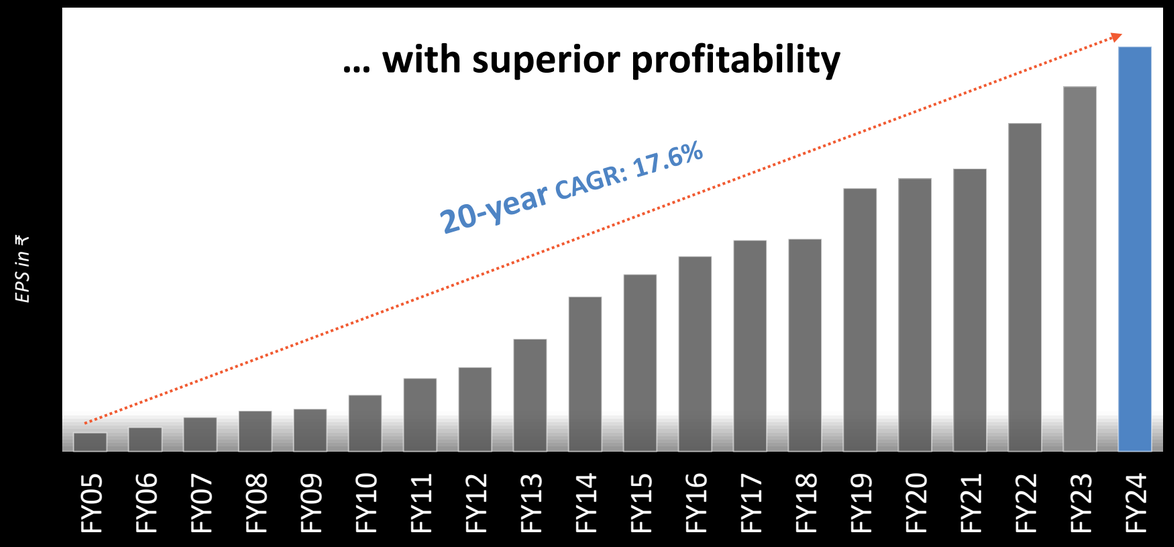
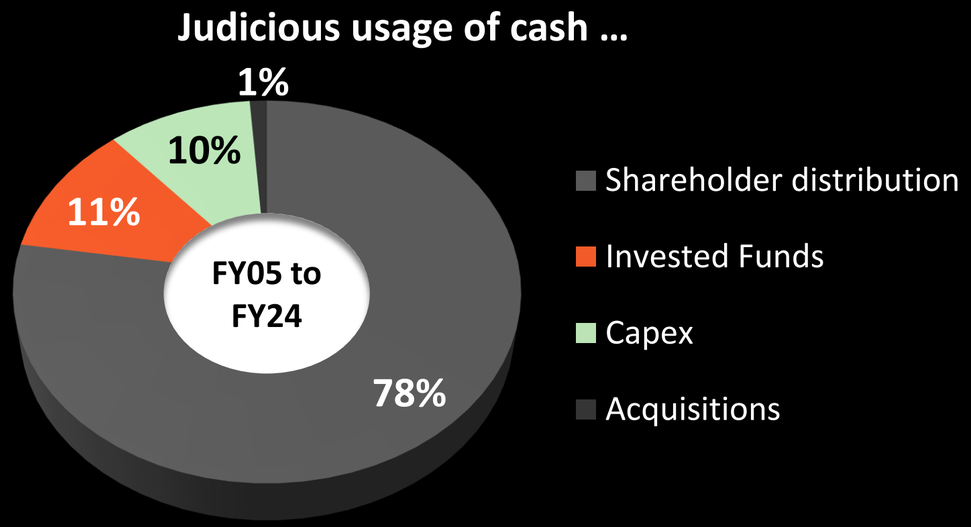
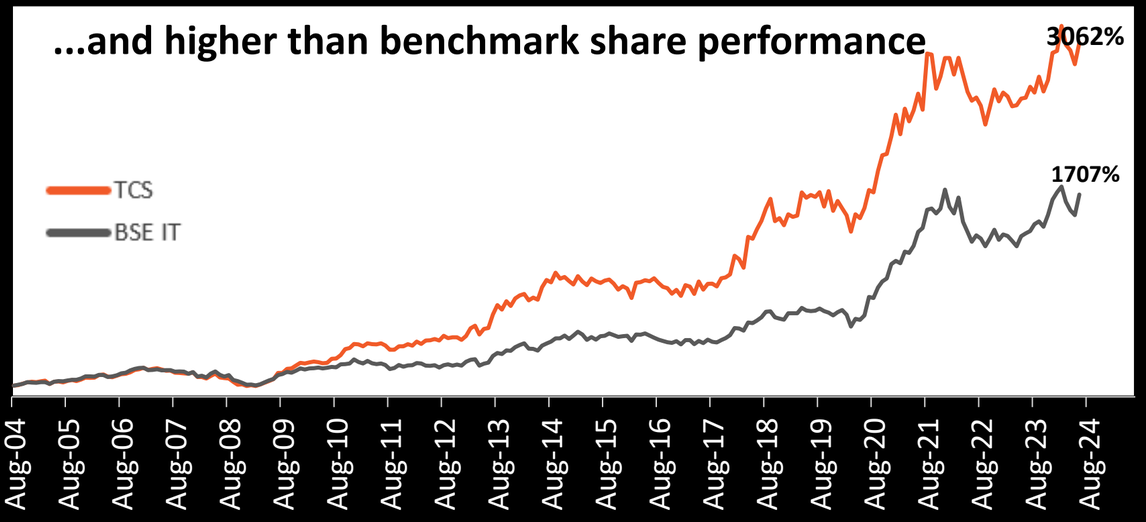
The Journey So Far









Leading through 56 years of technology change

Embracing emerging technologies to transition from being a fast follower to a leader

	1970	1980s	1990s	2000s	2010s	2020s
Crypto		Security, Privacy		Cybersecurity, Identity		Blockchain
Industry 4.0		MES, M2M		Robotics drones, Cyber-physical		GenAI, AI, ML
Devices		BYOD		Wearables, Bionics		Connected Medical Devices
Digital			Groupware apps, Smartphones	Collaboration, Social, Touch interaction, Design, AR/VR		Digital Twin
Automation		Y2K factory	RPA	Cognitive automation, AI, Intelligent agents		
Compute	Mainframes, Unix, VAX, AX/400	Windows 95, Linux	Virtualization grids	Cloud, Edge, Fog, Mist GPU, FPGA, Pervasive, Personal		Quantum , Cloud, GPUs
Data	DBMS, RDBMS	Warehouses	BI, Marts, NaSQL	Big data, Analytics data monetization		Blockchain, Data mining, AI
Applications	Material resource planning	ERP, HRMS, CRM, FS, BPS	SaaS	PaaS, BPaaS, Products and platforms		Microservices, GenAI
Application development	COBOL, Object-oriented	Client/Server, Thin client	SoA, Agile	APIs, DevOps		Low –Code, No-Code, Co-Pilot

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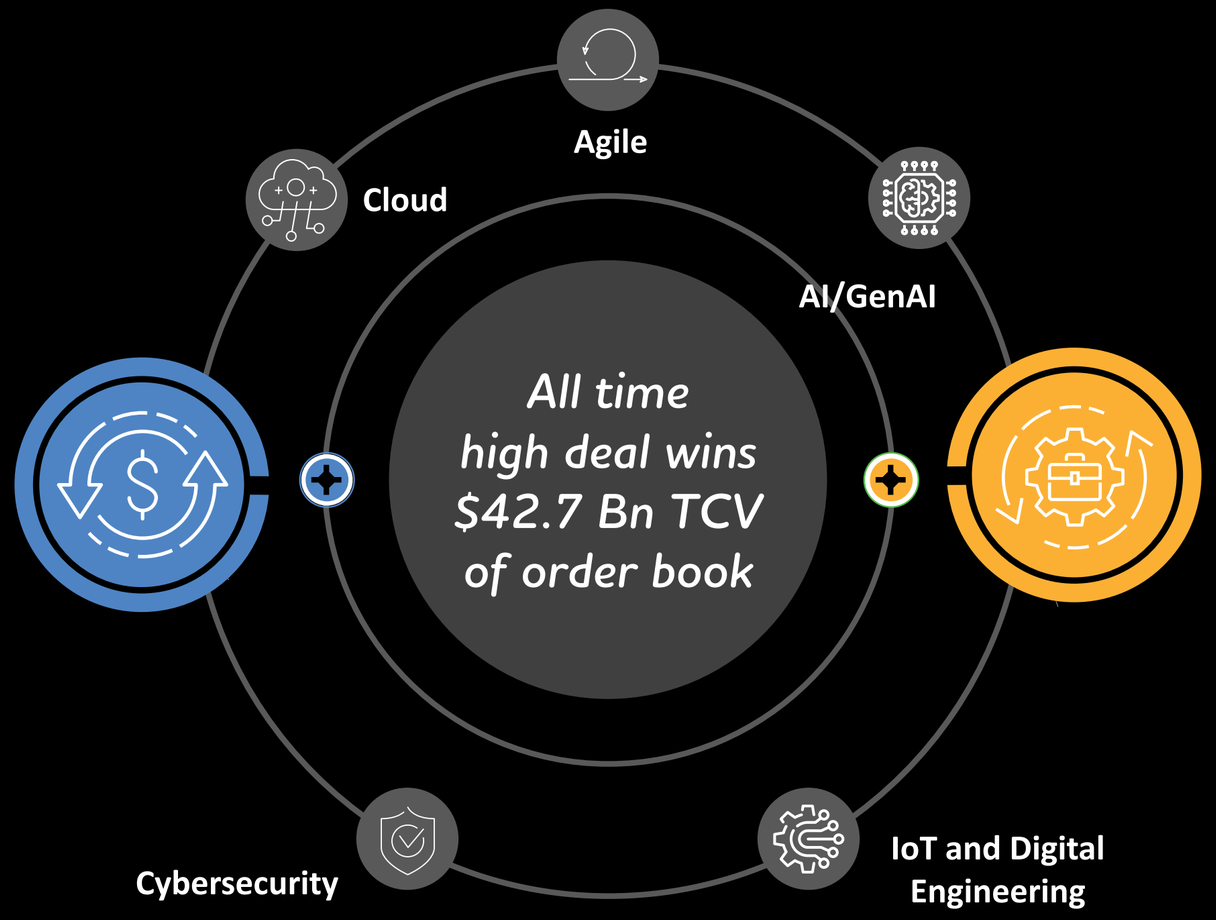
Drivers of growth

Key Differentiators:	Unmatched contextual knowledge	Cutting-edge technology and talent	Unique customer-centricity	Holistic solutions for enterprise value	Transformative partnership

Cost Optimisation

- Vendor Consolidation & multi-services deal
- AI/ML transformed Leaner & resilient operating models
- Managed Services Model
- Real time operational visibility



Business Transformation

- M&A Integration & Divestures
- Supply Chain Modernization
- GenAI led New Business Model Enablement
- Customer & Employee Experience Transformation

Investments

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Investing in **Human Capital**

Global Workforce
Highly Localized

601,546
Employees

Talent Retention

12.5%
LTM Attrition in IT Services

Talent Development

51 million
Learning Hours

5 million
Competencies acquired

87.1 hours
Average Learning hours per employee logged in FY 2024

A Diverse and Dynamic Workforce

152 Nationalities

3 Generations

89% Millennials

~214,000+ Women

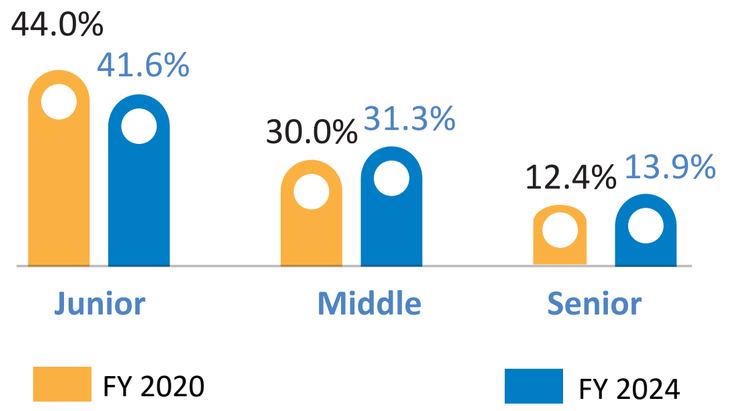
35.6% of workforce

58%+ Increase in senior women executives over last 5 years

797 Unique Patents filed by women

Rising up the ranks

% Women improved at mid and senior levels over last 5 years



Engagement **with Purpose**

Focused Training

Building a strong **Engineering culture** with focus on Software and Secuware Training

Goal to make **"Every TCSer GenAI Ready by 2025"**

Contextual Masters

Talent with potential to be tomorrow's business leaders

73,000+
Contextual Masters

27%
Women

TCS Elevate

Linking learning to career growth

35,000+
Employees identified as high talent, with higher pay

- Awarded **Global Top Employer 2024**, one of the 16 companies worldwide, by the **Top Employers Institute** in 32 countries and regions, including Europe, the UK, the Middle East, North America, Latin America, and South-East Asia, winning this award for the 9th consecutive year.
- Recognized in the **World Economic Forum's Diversity, Equity, and Inclusion Lighthouse Report 2024** for **TCS' leadership program for women.**
- TCS ranked as a **Top Company** in **LinkedIn's 2023 Top Companies** list across eight countries. Ranked **#1 in India** for three years in a row.
- Won **"Best of Best award"** from **Association for Talent Development (ATD)** for 6th time in a row.

Helping Clients **Innovate at Scale**

5,500+
Researchers and Innovators

3,919 / 8,040
Patents Granted / Filed (cumulative)

257
Tier-1 Publications

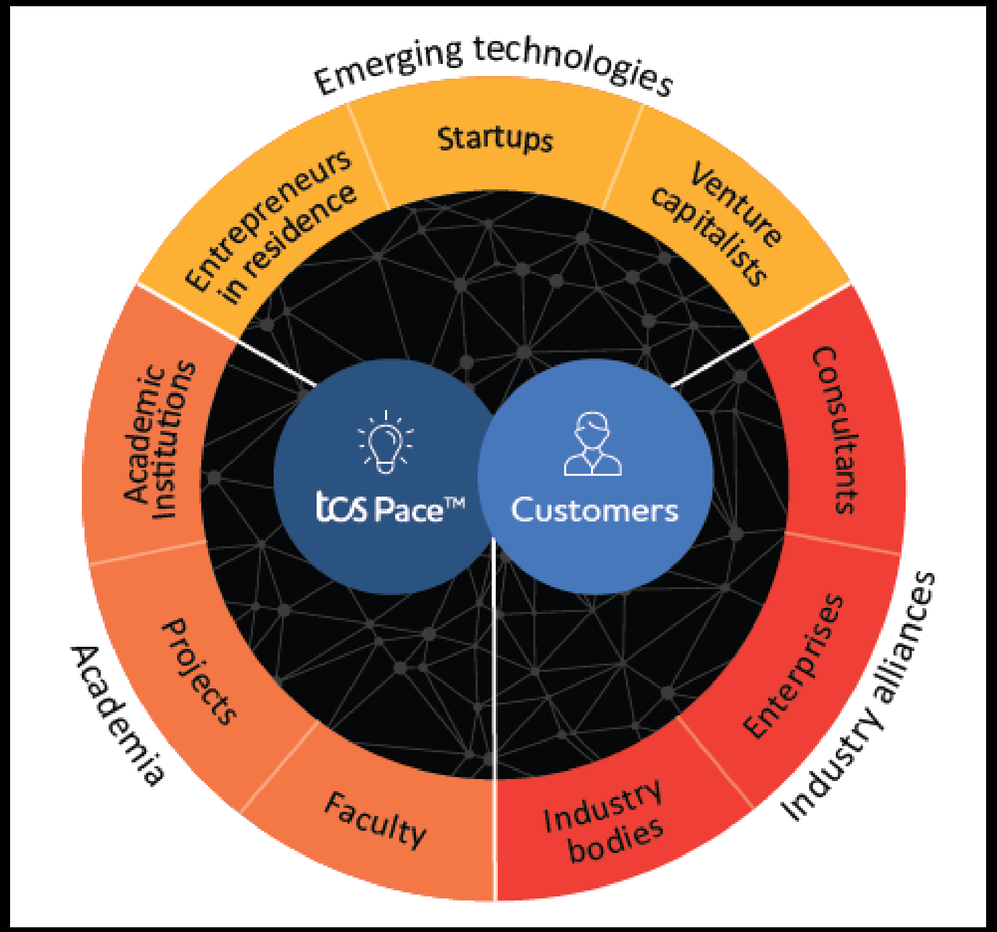
40+
Research and Innovation centers

70+
Academic Partners

6 Pace Ports Co-Innovation Hubs
New York, Amsterdam, Toronto, Pittsburgh, Tokyo, London

2,900+
Start-up Partners

The TCS Pace Innovation Ecosystem



Focus Areas of TCS' R&I:

Purposeful AI

Digital Sciences

Computing Futures

Sustainable Futures

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Investments in plug-and-play IP

BFSI	tcs BANCS™
Retail	tcs OmniStore™ tcs Optumera™
Life Sciences	tcs ADD™
CMI	tcs HOBS™
Sustainable, smart cities, enterprises	tcs Intelligent Urban Exchange™
SMB	tcs iON™

Legacy modernization (application/ data), low-code development	tcs MasterCraft™ TransformPlus
Cognitive AI	ignio™
DevSecOps/ Agile tools	jile tcs MasterCraft™ DevPlus
HR	tcs CHROMA™
Procure to pay	tcs Tap™
Blockchain	QUARTZ™

Data privacy/ quality	tcs MasterCraft™ DataPlus
Customer data platform	tcs Customer Intelligence & Insights™

Highlights and recognition

- TCS wins the Clarivate South Asia Innovation Award 2024 in Information Technology category
- TCS Recognized with Asia IP Elite Award 2024 for being an Exemplar of IP Value Creation
- 6 TCS inventions shortlisted for inclusion in Indian Patent Office (IPO) compendium featuring the Top IP Driven Solutions for addressing the need for the Sustainable Development Goals (SDGs)
- TCS won the prestigious 'ET Datacon' Award 2024 in the category 'Automated Data Management'

Frameworks: tcs Connected Universe Platform | tcs Datom™ | tcs Daezmo™ | tcs Dexam™

Offerings in AI-ML, including GenAI

tcs AI WisdomNext™

- TCS AI WisdomNext™ is a unique AI platform that aggregates multiple GenAI services into a single interface and empowers organizations to rapidly adopt GenAI technologies
- It allows businesses to do so at scale, at lower costs, and in compliance with regulatory guardrails
- The platform allows for real-time experimentation with GenAI solutions from different vendors, and with internal and open-source LLM models
- This industry-first platform allows customers to experiment with multiple GenAI models to rapidly build valuable and cost-effective solutions

tcs Cognix™

- Helping enterprises achieve a competitive edge through cognitive operations
- An AI-driven human-machine collaboration suite.
- Ecosystem of pre-built solutions to accelerate digital transformation
- Addressing the entire breadth of IT and business operations, across industries
- Nearly 700 value-builders deployed across more than 325 customers
- Transforming operations by embedding multi-modal AI-ML, GenAI, machine vision, and conversational AI across the business

TCS IoT Bringing Life to Things™

- Bringing Life to Things™ IoT business framework for exponential value creation across manufacturing, CPG, retail, utilities, life sciences, energy, and high tech
- Industry-specific roadmap and curated use cases help customers adopt GenAI, IoT, AI, and Digital Twin technology at the enterprise level across the functions of productization and servitization
- Transforming factory operations and field services by leveraging GenAI
- Bringing Life to Things Lab launched in Cincinnati to support customers with rapid prototyping, experimentation, and large-scale implementation of AI, GenAI, and IoT engineering solutions

tcs Datom™ tcs Dexam™ tcs Daezmo™

- TCS Datom™ | Data for AI Strategy: Assesses and baselines data and AI maturity and formulates interventions and strategy levers
- TCS Daezmo™ | Enterprise Data Platform: Collects, consolidates, curates, conserves, controls, and consumes data for business
- TCS Dexam™ | Data as a Product: Data exchange and marketplace platform that adapts data assets for new-age enterprise needs and business models
- Data Pipeline for AI: Data preparation that trains AI and GenAI models for intelligence
- Data Mastering for AI: Establishes source of truth, provides linkages to transactional data to run AI

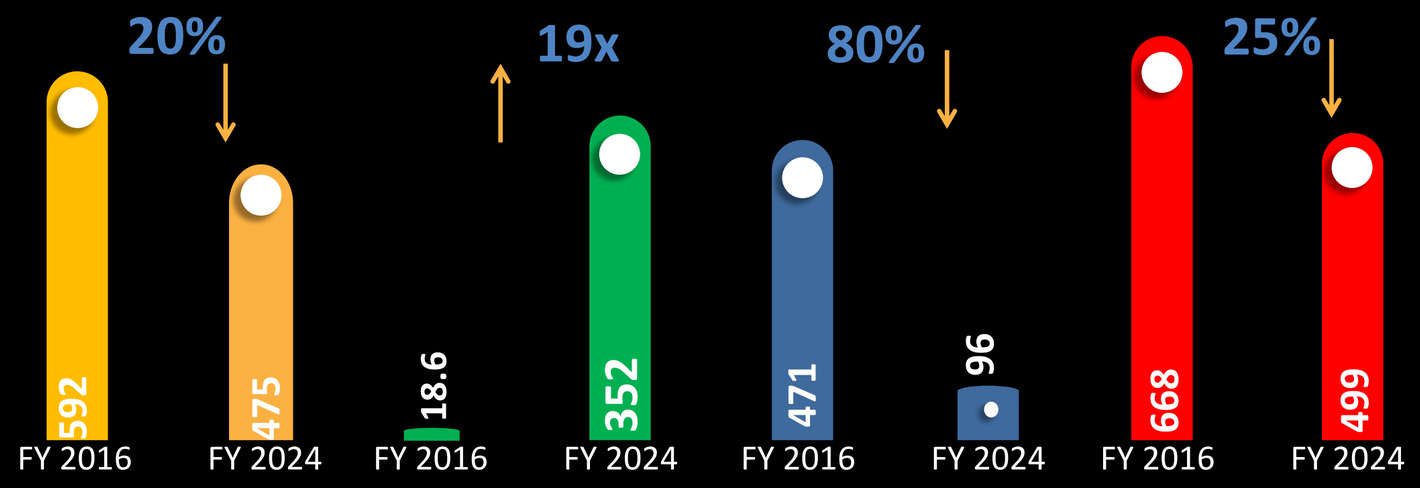
Making Progress in our **Net Zero Journey***

Target		Achieved in FY 2024	Water	Waste
Net Zero By 2030	**70%** Reduction in Scope 1+2 emissions by 2025 vs base year 2016	**80%** Reduction in Scope 1+2 emissions vs base year 2016	**87%** Water Recycled (TCS owned premises)	Maximize Recycling of all recyclable waste like e-waste, office paper, packaging and plastic wastes

Reduced Energy Consumption and…

…Increased Use of Renewable Energy..

…reduced TCS' Carbon footprint.



* As of March 31, 2024

Marketing and Brand Building

Engaging with clients and community to strengthen TCS' brand position

Customer Summits Europe, US, APAC, Japan

Leadership at Global Forums – Davos '24

Sports Sponsorships promoting wellness through 13 running events globally

Purpose driven

Record one day fundraising at London Marathon 2023

Awards and Accolades

Brand Finance®
$19.2 Bn

US$ 2 billion gain in Brand Value, highest value growth across the global IT Services Industry for the year

FORTUNE
WORLD'S MOST ADMIRED COMPANIES™
2024

KANTAR BRANDZ Most Valuable Indian Brand 2023

11 Consecutive Years

#1 IN CUSTOMER SATISFACTION
2023/24 EUROPE
Whitelane Research

Independent survey of 2,000 CXOs of top European IT spenders

LinkedIn
TOP COMPANIES 2023

TCS ranked as a Top Company in LinkedIn's 2023 Top Companies list across eight countries. Ranked #1 in India for three years in a row.

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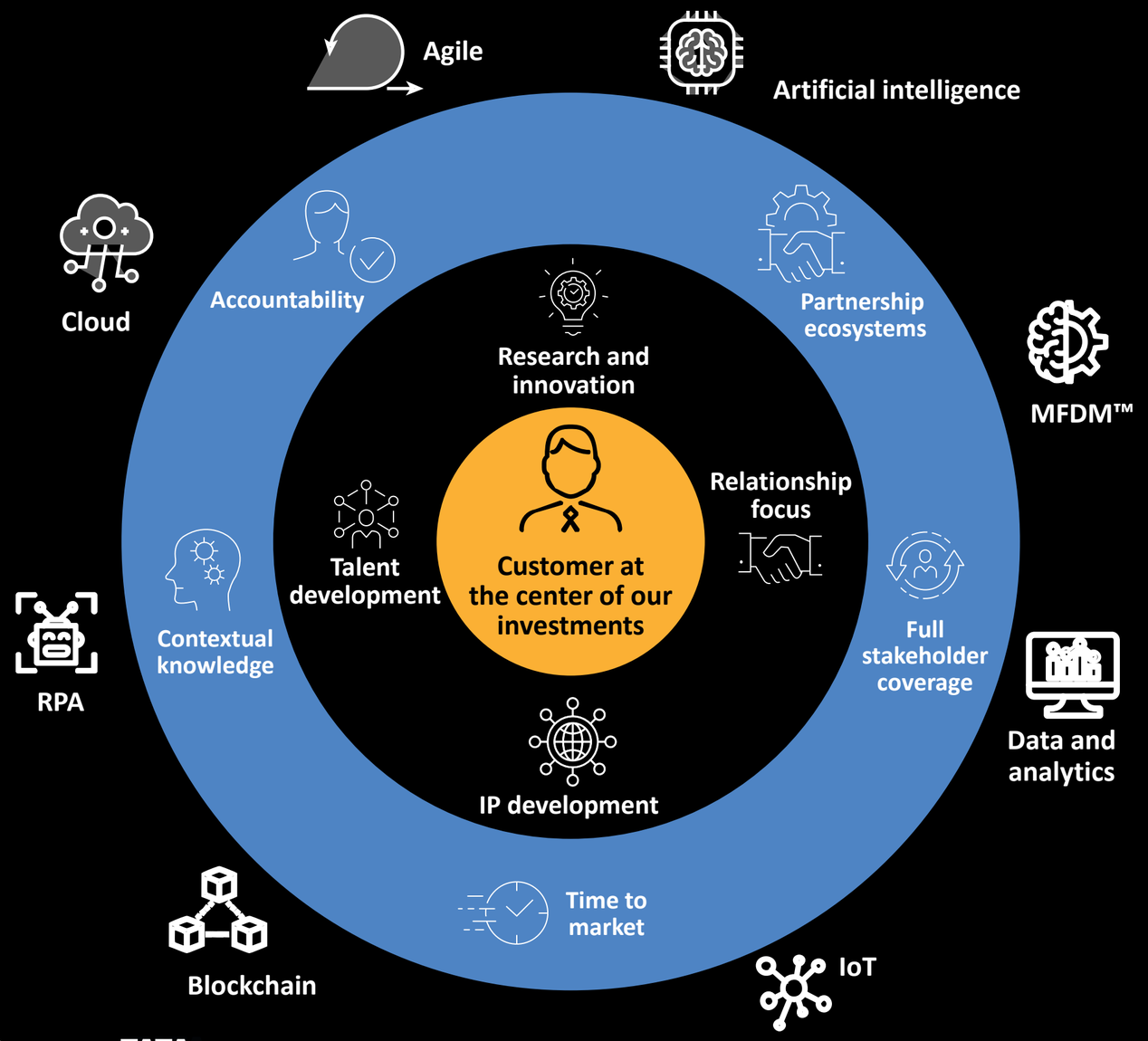
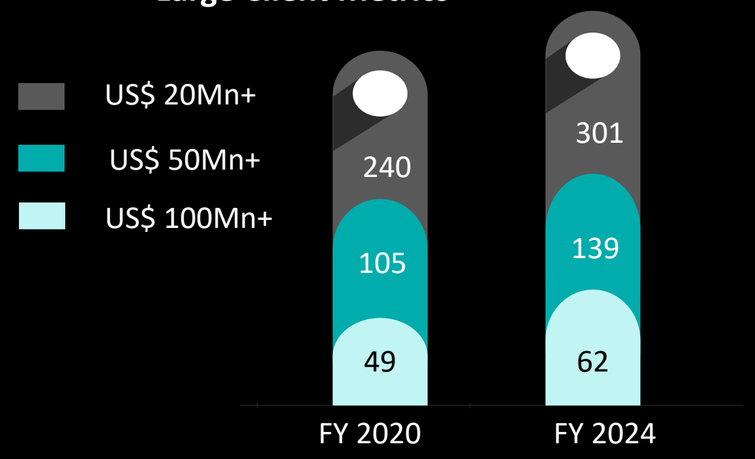
Longer Term Growth Strategy

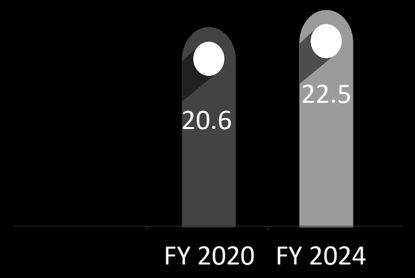
Customer-centricity at the core of our strategy



Large Client Metrics



Rev per US$ 1 Million+ Client ($ Mn)



Growth 9.3%

#1 IN CUSTOMER SATISFACTION
2023/24 EUROPE
Whitelane Research

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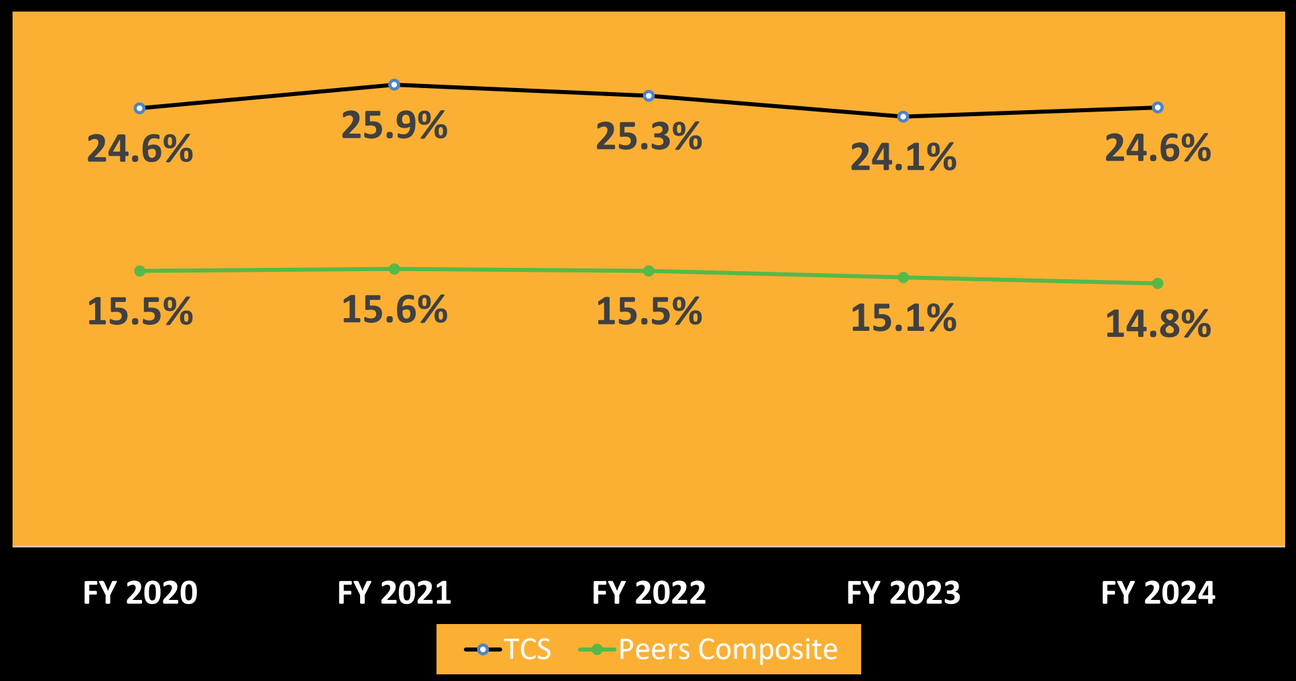
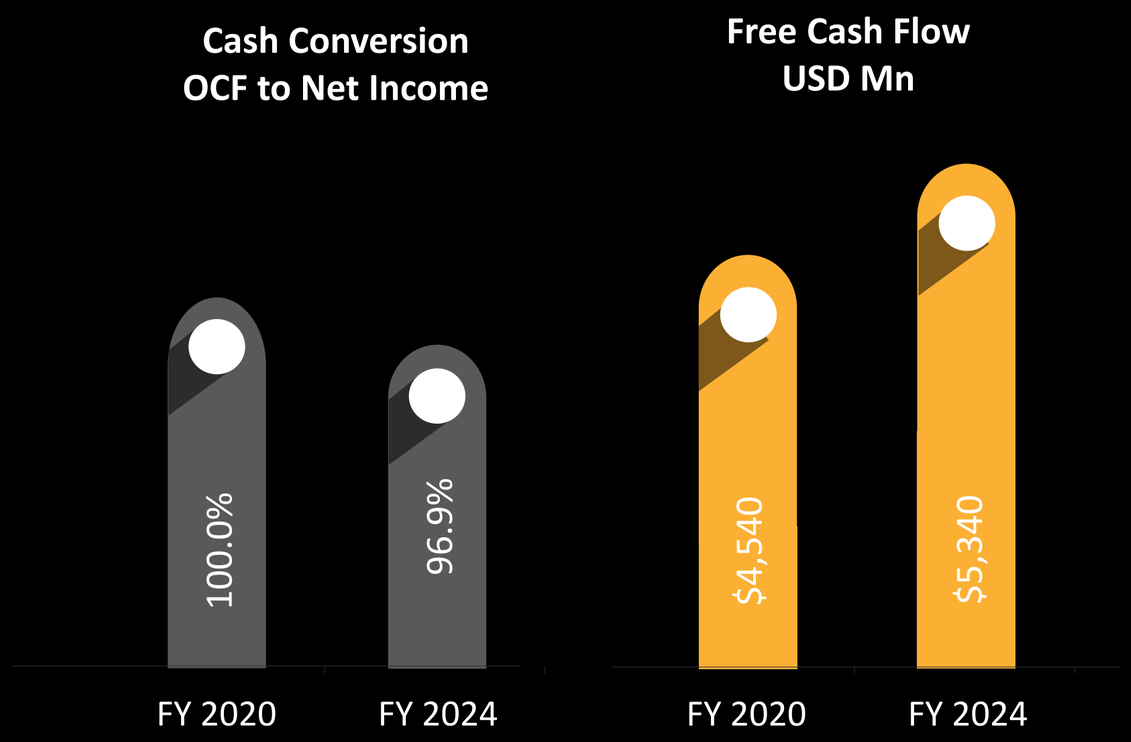
Consistent Profitable Growth for Long Term Value Creation

Resilient, Industry-Leading Profitability

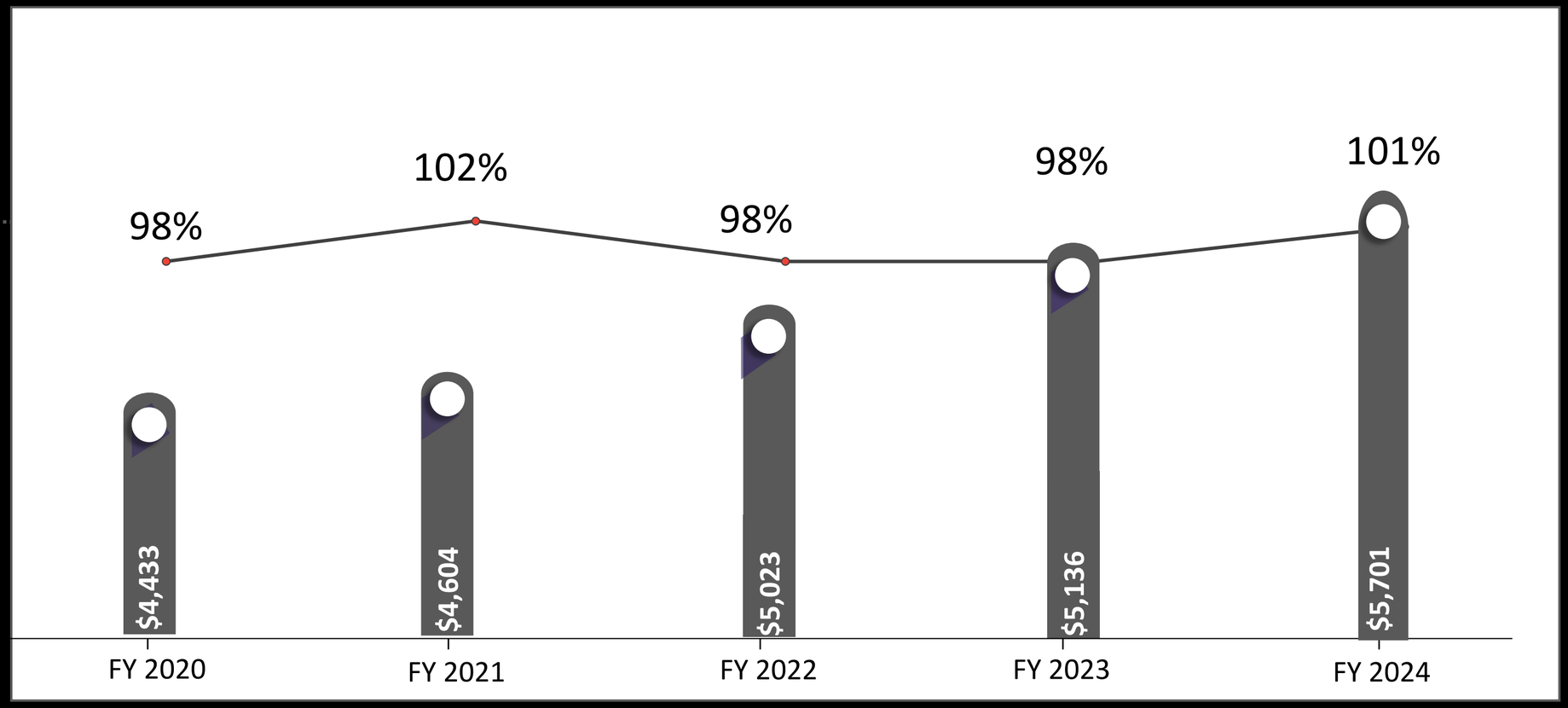


Robust Cash Flow



Shareholder-friendly **Capital Allocation**

99%
Average Payout
FY 2020 – FY 2024



Shareholder Payout **Payout ratio**

(including special dividends, buybacks and taxes)

Giving back to **the Community**

Overall Spend

US$ 570 Million+

CSR Spend in last 5 Years

Overall Impact

15.9 Million+

Beneficiaries in last 5 years

Education

Ignite My Future:

312K+ Students

6K+ Educators

go Innovate Together:

118K+ Students

3.6K+ Educators

Literacy

Literacy as a Service:

20K+ adults gained literacy and access to government entitlements

Entrepreneurship

BridgeIT:

348 active entrepreneurs providing last-mile services to **312K** beneficiaries

Employment

Youth Employment Program (YEP):

23K marginalized youth gained industry readiness

Employee Volunteering

Hours Of Purpose by Employees (HOPE):

143K+ volunteers

6.7 million hours

Health & Wellness

Tata Medical Center, Kolkata and Cancer Institute, Chennai

173K+ new patient consultations

Individual Program beneficiary numbers are for FY 2024

And Helping Clients in Their **Sustainability Journeys**

200+
offerings

and more

- Sustainable Banking & Finance
- Renewable energy management
- Digital Farming
- Solar value chain analytics platform
- Smart Utilities
- eMobility platform
- TCS ELVAC
- Sustainable marketplaces

1 Climate Change

- TCS Clever Energy
- TCS Envirozone and TCS Net Zero
- TCS IP2 and InTwin
- Climate Risk Assessment
- Green IT Portfolio Services

2 Human Capital & Workforce

- Health, Safety & security
- Wellness analytics and insights
- Digital Workplace
- Equitable Education, and Skilling
- Accessibility at work
- Wearables, TCS Safe Workplace

3 Circularity

- TCS iCloseLoop
- TCS OZone
- TCS ENVIROZONE
- DigiFleet / Sustainable Line Haul
- Freight Carbon emissions mgmt.
- Digital Twin for Water management
- Sustainable Packaging

4 Social Capital & Community

- TCS Intelligent Urban Exchange for Smart Cities
- Accessibility in infrastructure and public spaces
- Digital Health & Wellness Platforms
- HANDS (Healthy Ageing for a New Digital Society)

5 Impact Innovation

- TCS Pace and TCS PacePort
- Digital Impact Square

6 Compliance, Reporting & Governance

- Carbon Compliance Management
- Health, Safety and Environmental reporting
- REC Trading on Blockchain

TCS Strategic Responses to Opportunities and Threats

Opportunity / Threat	TCS Approach	Outcomes
▪ Macroeconomic uncertainty and geopolitical volatility impacting decision making and prompting an increased mix of cost optimization and cloud transformation led deals and reduced discretionary spend	▪ Proven track record in helping enterprises reduce their cost of operations. ▪ Proactive pitching of IT and business operating model transformations that not only deliver greater efficiency, enhance enterprise agility, resilience and better output. ▪ Leveraging full services capability and deep client relationships to propose product-aligned operating models. ▪ Use of TCS Cognix™ to accelerate operations transformation, using over 600 pre-built automation components that infuse AI/ML and other technologies into IT and business processes to reduce human intervention, increase velocity and productivity.	▪ Strong deal flow resulting in a robust order book that gives better visibility of medium to long-term growth. ▪ Market share gains in vendor consolidation led deals. ▪ Efficiency gains helping fund client's transformation programs in some instances. ▪ TCS Cognix recognized as a means of driving quicker realization of RoI.
▪ Greater interest in using technology to drive business growth and differentiation	▪ Focused on developing contextual knowledge and applying that for inside-out transformations. ▪ Continued investments in Research and Innovation, TCS Pace Ports, and Intellectual Property. ▪ Dedicated practice with domain experts to bring together TCS' differentiated capabilities from across the organization to stitch together comprehensive solutions. ▪ Proactive pitching of solutions to customers' most pressing business problems. ▪ Nation building programs which add to capabilities and credentials ▪ Deepened partner ecosystem for joint go-to-market strategy.	▪ Expansion of addressable market. ▪ Higher quality revenue, lending margin resilience. ▪ More deeply embedded in the client's business. ▪ Engaging with a broader set of buyers in the client organization. ▪ Higher visibility within C-Suites.

TCS Strategic Responses to Opportunities and Threats

Opportunity / Threat	TCS Approach	Outcomes
▪ Strategic technology investments	▪ Set up the AI.Cloud unit bringing both Cloud and AI capabilities together to drive transformations for the customer under a 'Responsible AI' framework; invested in Intrapreneurial teams to discover the art of the possible. ▪ Continued investment in skill building, certifications, credentials, IP and accelerators. ▪ Made available TCS products and solutions on public clouds.	▪ Strong growth in cloud migration and transformation revenues. ▪ Working on 250+ PoCs and PoVs in Assist and Augment use cases, few programs moving into production. ▪ Top tier partner to each of the hyperscalers. ▪ Preferred partner to clients seeking to use cloud native capabilities to power their business transformation. ▪ Over half of the workforce trained in AI/ML and GenAI technologies.
▪ Greater acceptance of as-a-Service platforms	▪ Strengthened alliances and launched new offerings around the popular and new SaaS products. ▪ Helped Independent Software Vendor' clients upgrade their products to launch new SaaS versions. ▪ Partnering with product manufacturers to help launch innovative as-a-Service offerings using TCS Bring Life to Things IoT framework. TCS IP: ▪ Promoted SaaS versions of in-house product portfolio; now available on hyperscaler platforms. ▪ Used IP portfolio to launch new platforms that bundle IP and shared services on the cloud.	▪ Outperformance and differentiated growth compared to peers. ▪ Stronger win-win partnerships. ▪ Expansion of addressable market. ▪ Strong growth in SaaS sales ▪ Platforms drive stickier relationships, with long term revenue visibility.

Annexure

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Financial Highlights

Amount in USD Mn, unless otherwise stated

IFRS	Yearly			Quarterly		
	FY 2024*	FY 2023	YoY*	2Q 2025	2Q 2024	YoY
Revenue growth – Constant Currency			3.4%			5.5%
Revenue - INR Mn	2,408,930	2,254,580	6.8%	642,590	596,920	7.6%
Revenue	$29,080	$27,927	4.1%	$7,670	$7,210	6.4%
Gross Profit	$11,745	$11,043	6.4%	$2,929	$2,890	1.3%
Gross Margin	*40.4%*	*39.5%*	*83 bps*	*38.2%*	*40.1%*	*(190 bps)*
Operating Income	$7,158	$6,714	6.6%	$1,846	$1,749	5.5%
Operating Margin	*24.6%*	*24.1%*	*56 bps*	*24.1%*	*24.3%*	*(19 bps)*
Net Income	$5,623	$5,219	7.7%	$1,421	$1,370	3.7%
Net Margin	*19.3%*	*18.7%*	*65 bps*	*18.5%*	*19.0%*	*(47 bps)*
EPS in INR	127.74	115.19	12.6%	32.92	31.00	6.2%

* excludes settlement of legal claim

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Thank you

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