

# Tata Consultancy Services

## Investor Presentation

January 2025

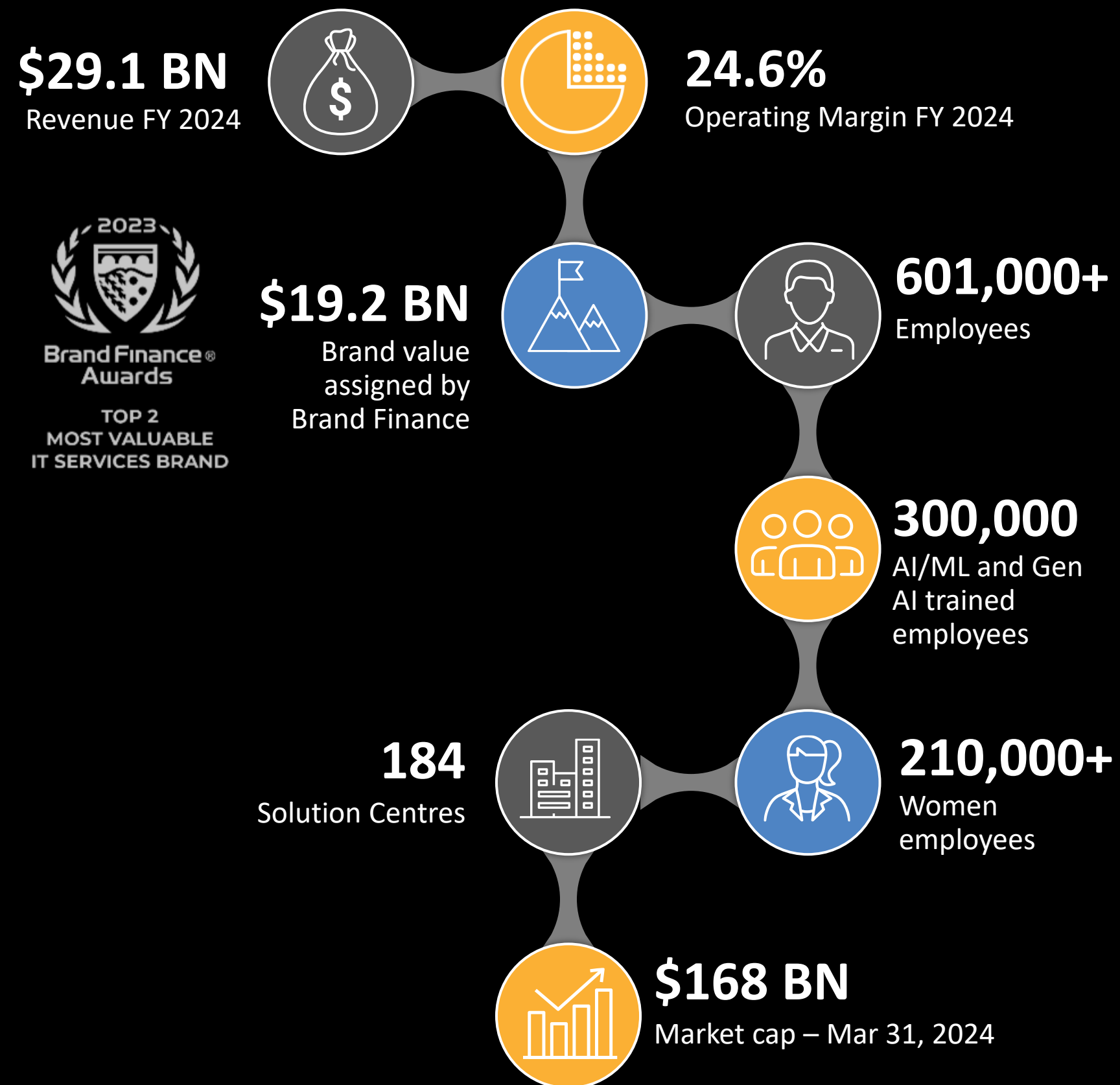


# Forward Looking Statements

- » 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.



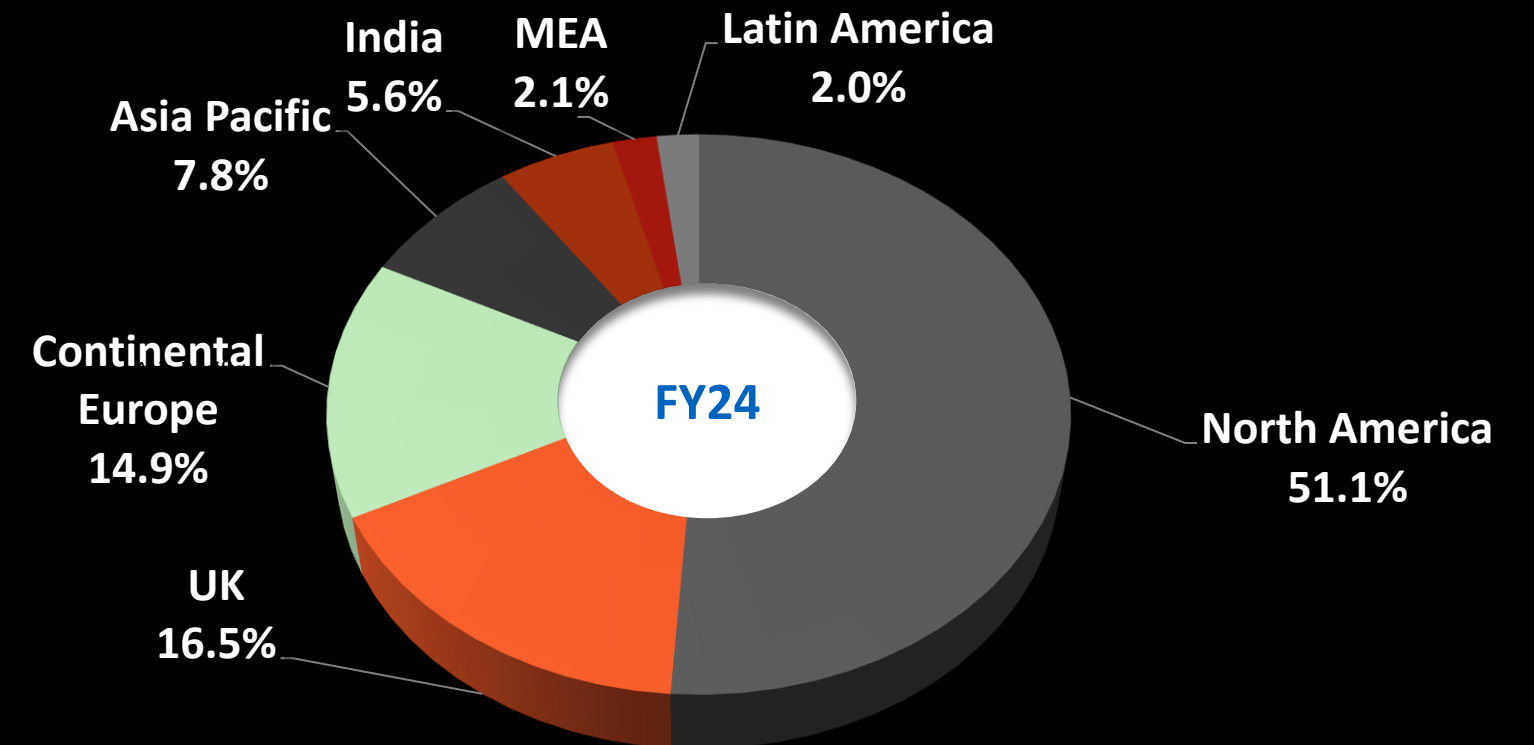
# Tata Consultancy Services



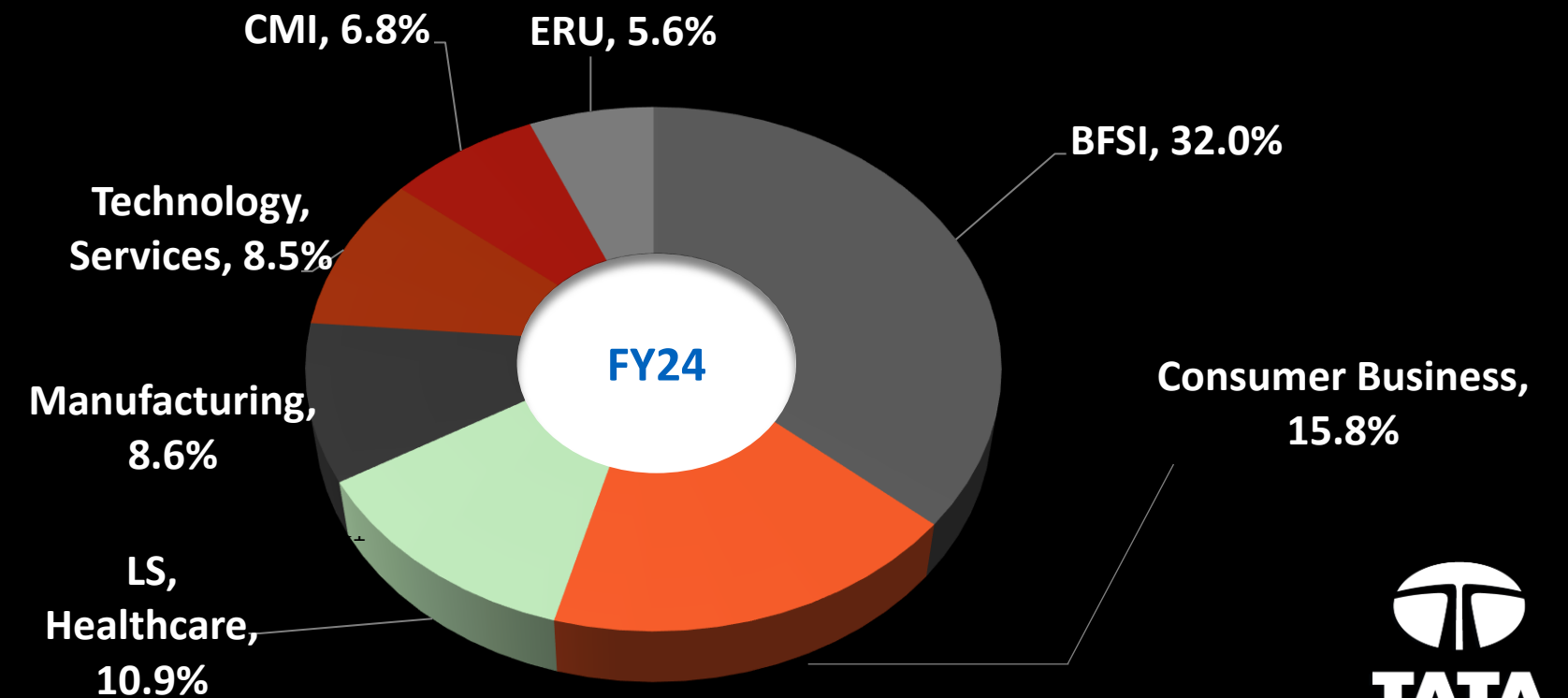
## We Are...

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

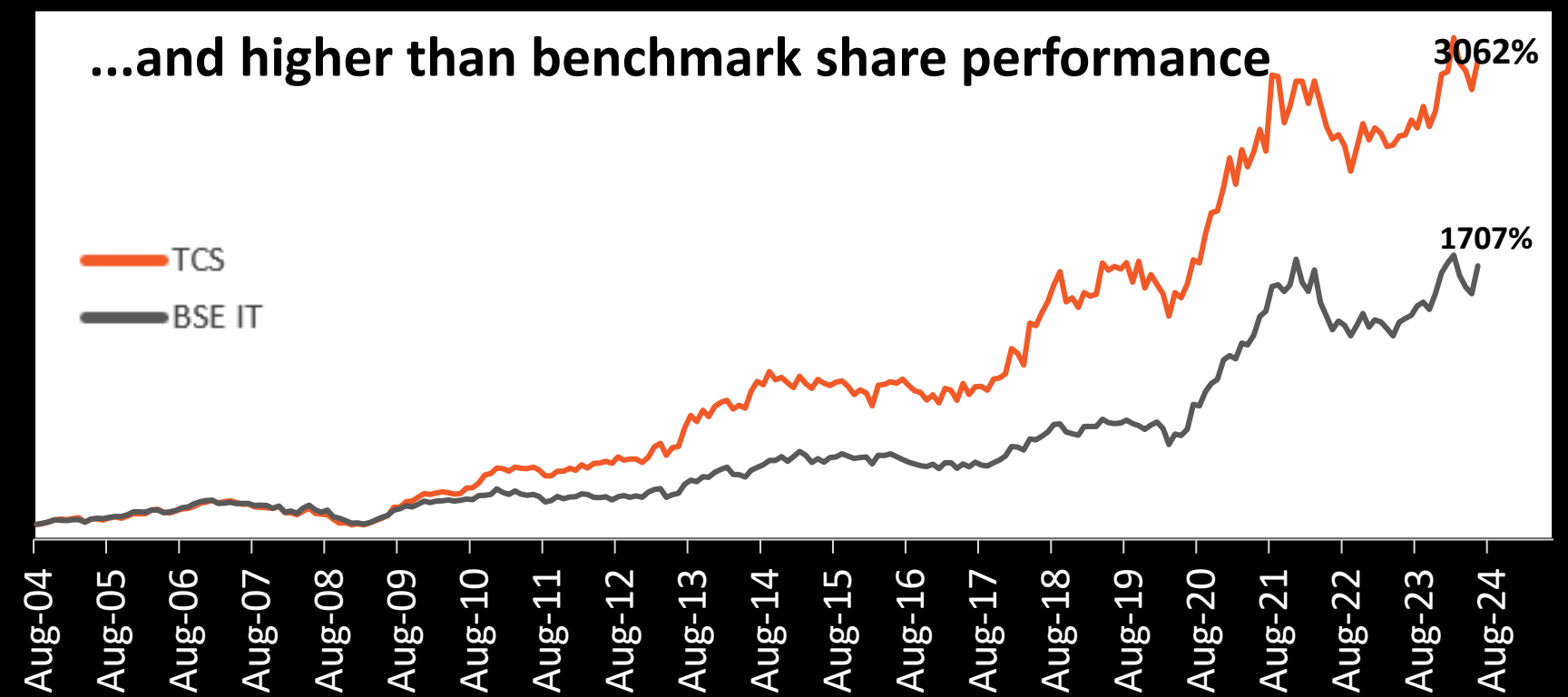
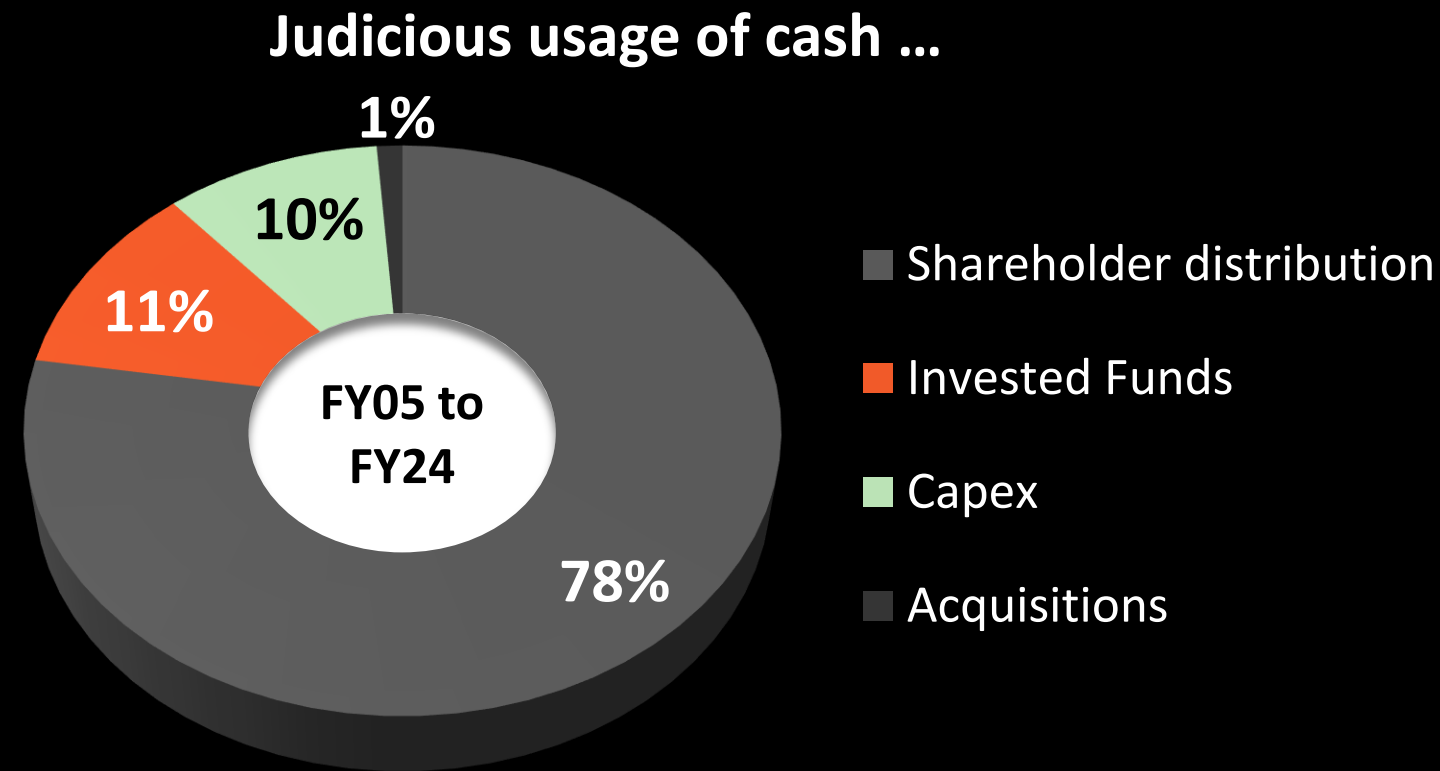
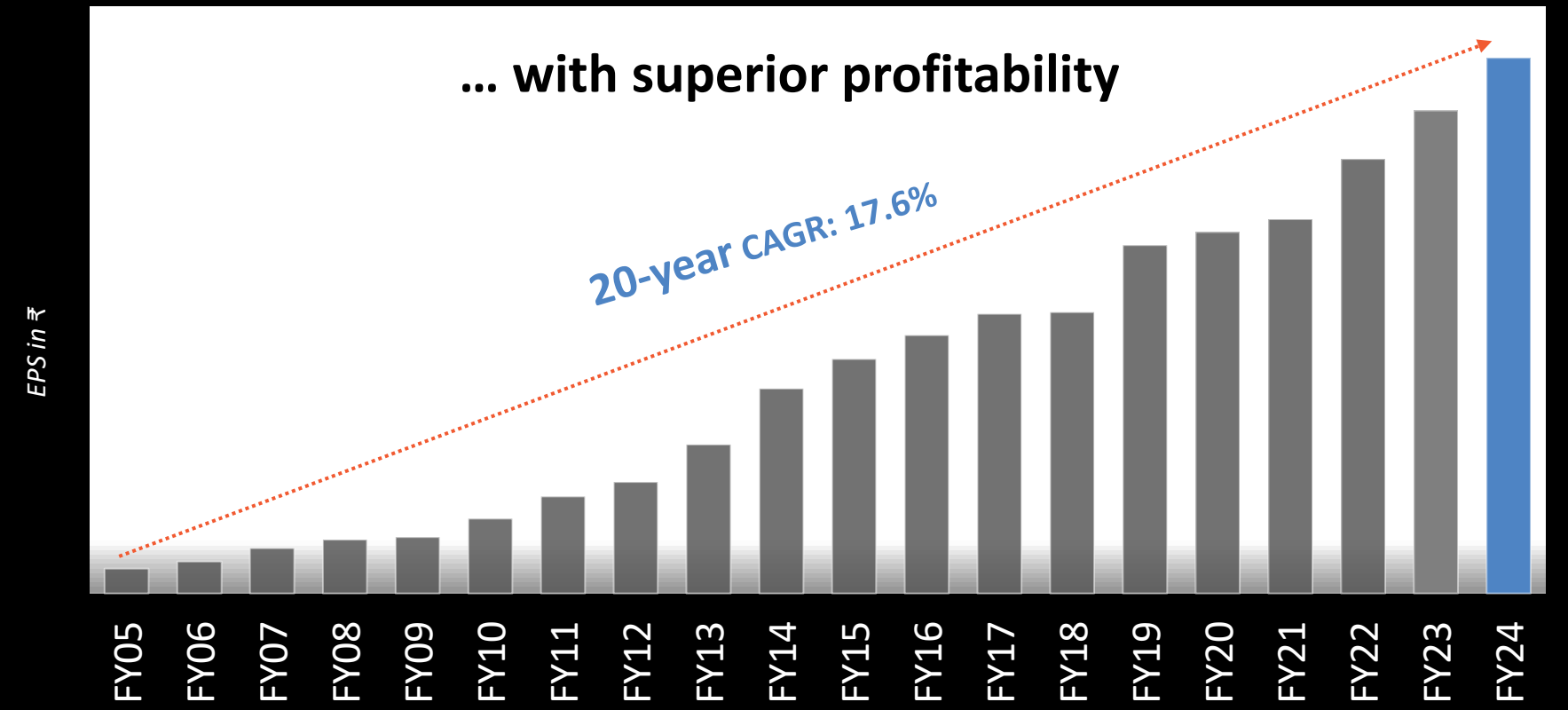
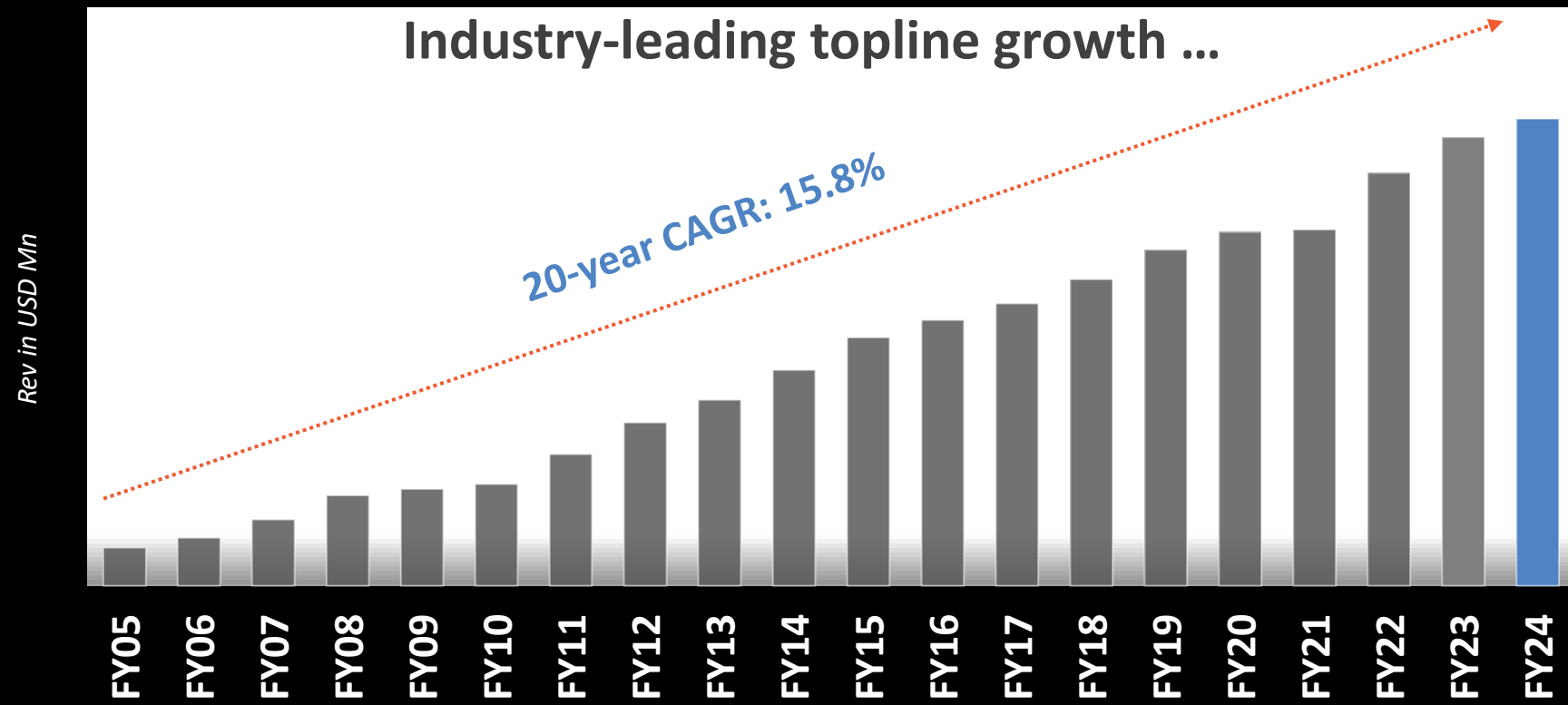
### Revenue breakup by Geo



### Revenue breakup by Industry

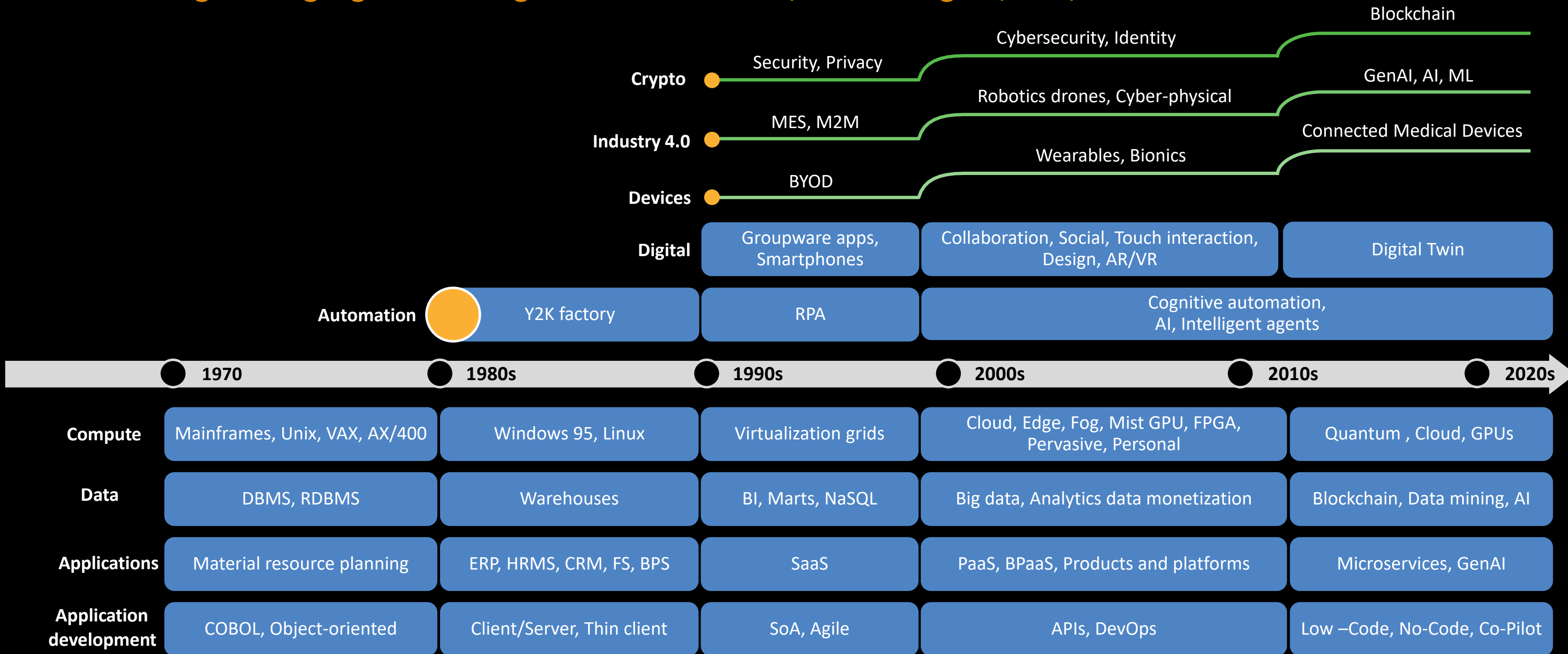


# The Journey So Far



# Leading through 56 years of technology change

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



# Drivers of growth

## Key Differentiators:

Unmatched contextual knowledge

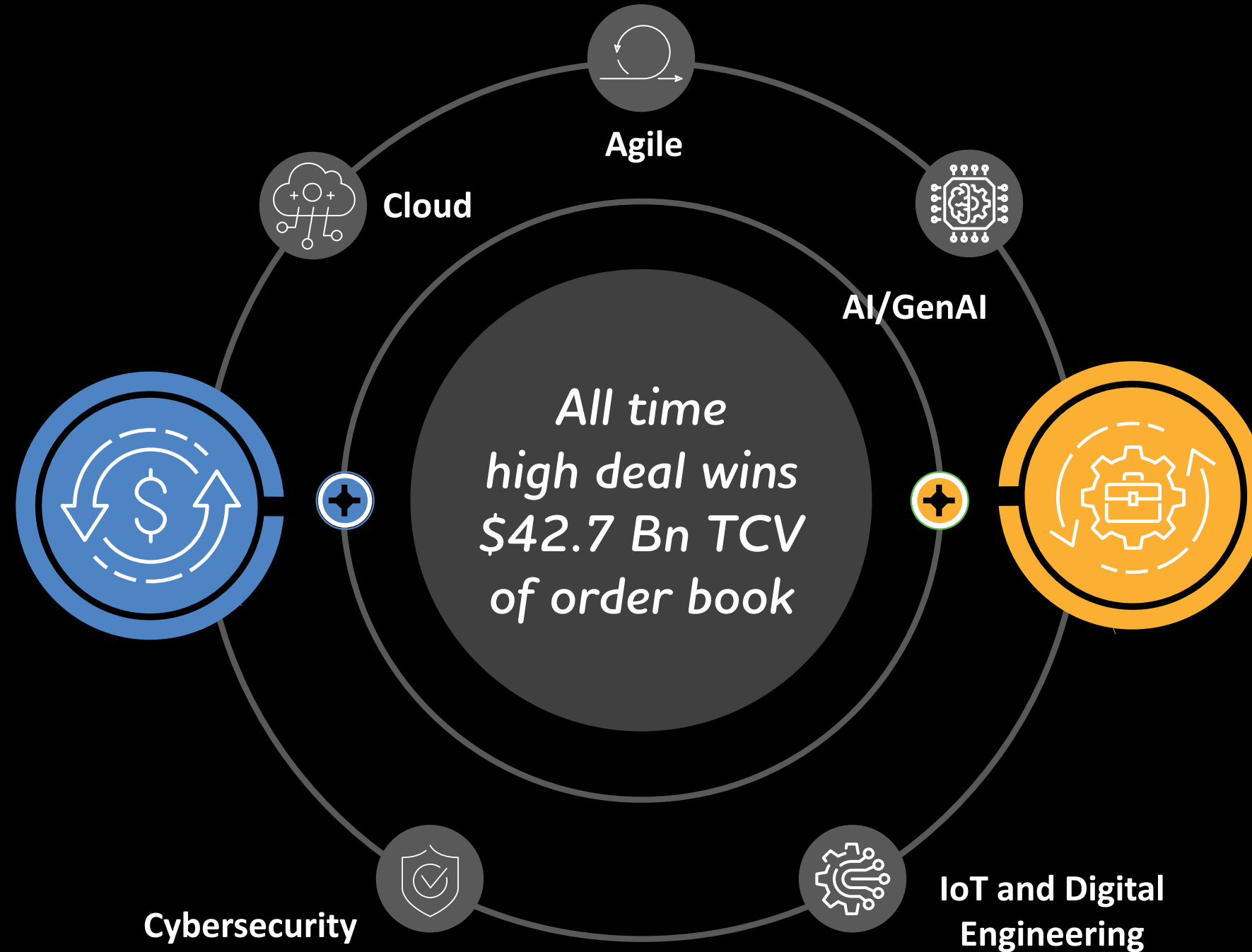
Cutting-edge technology and talent

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



# Investing in Human Capital

● **Global Workforce** Highly Localized      ● **Talent Retention**      ● **Talent Development**

**601,546**

Employees

**12.5%**

LTM Attrition in IT Services

**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

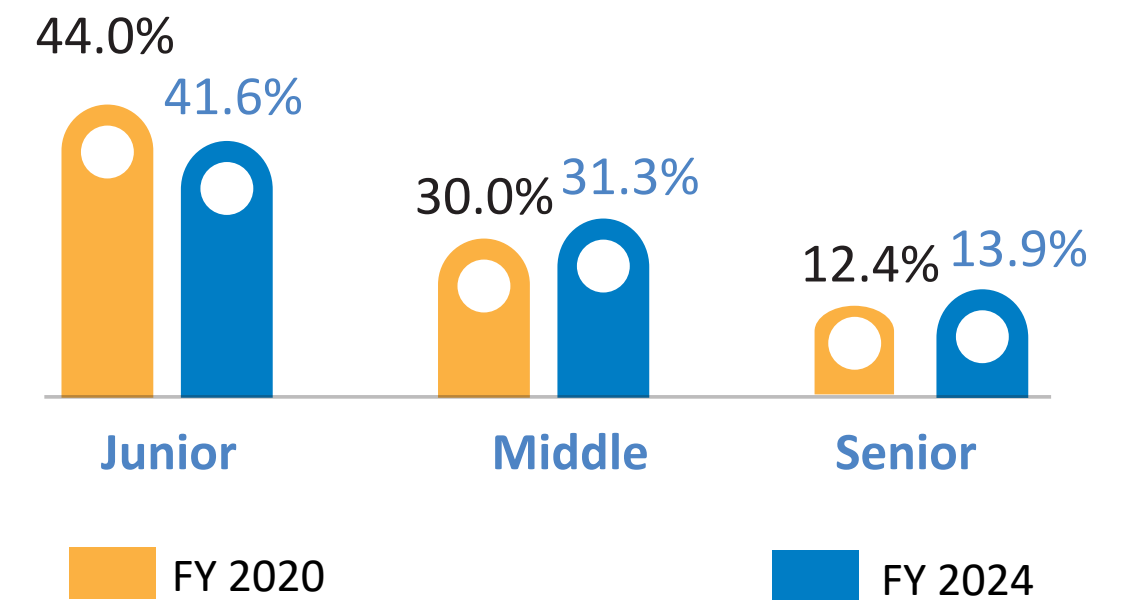
**35.6%** of workforce

**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 9<sup>th</sup> 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

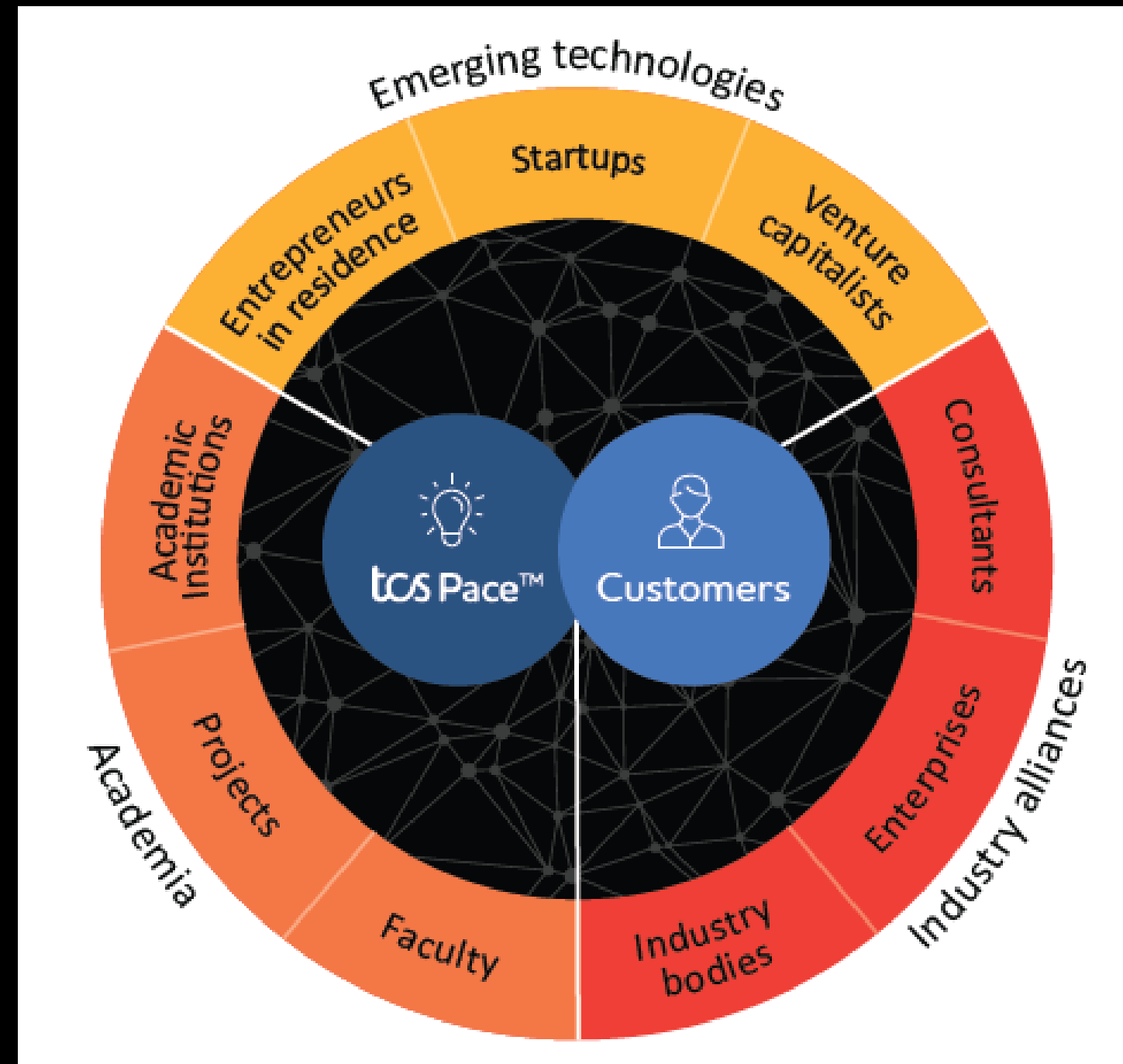
**6 Pace Ports Co-Innovation Hubs**

New York, Amsterdam, Toronto, Pittsburgh, Tokyo, London

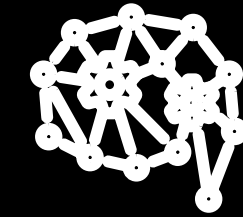
2,900+

Start-up Partners

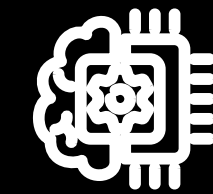
## The TCS Pace Innovation Ecosystem



## Focus Areas of TCS' R&I:



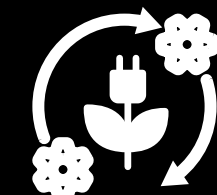
Purposeful AI



Digital Sciences



Computing Futures



Sustainable Futures

# Investments in plug-and-play IP

BFSI	tcs BANCS™	Legacy modernization (application/ data), low-code development	tcs MasterCraft™ TransformPlus	Data privacy/ quality	tcs MasterCraft™ DataPlus
Retail	tcs OmniStore™ tcs Optumera™	Cognitive AI	ignio™	Customer data platform	tcs Customer Intelligence & Insights™
Life Sciences	tcs ADD™	DevSecOps/ Agile tools	jile tcs MasterCraft™ DevPlus		
CMI	tcs HOBS™	HR	tcs CHROMA™		
Sustainable, smart cities, enterprises	tcs Intelligent Urban Exchange™	Procure to pay	tcs Tap™		
SMB	tcs iON™	Blockchain	QUARTZ™		

## 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

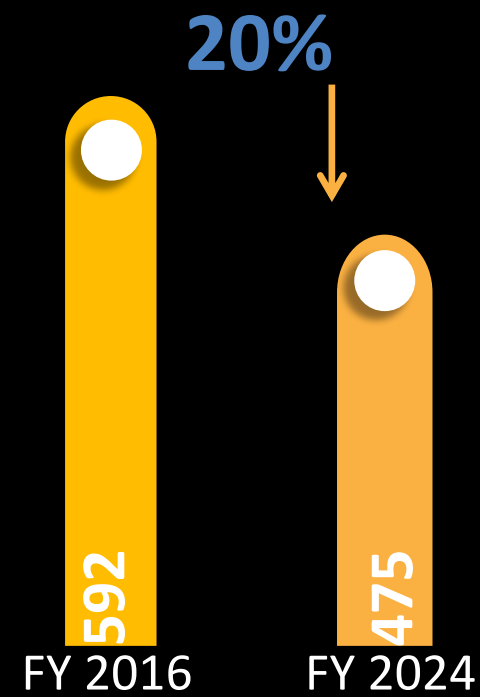
**87%**

Water Recycled (TCS owned premises)

**Waste**

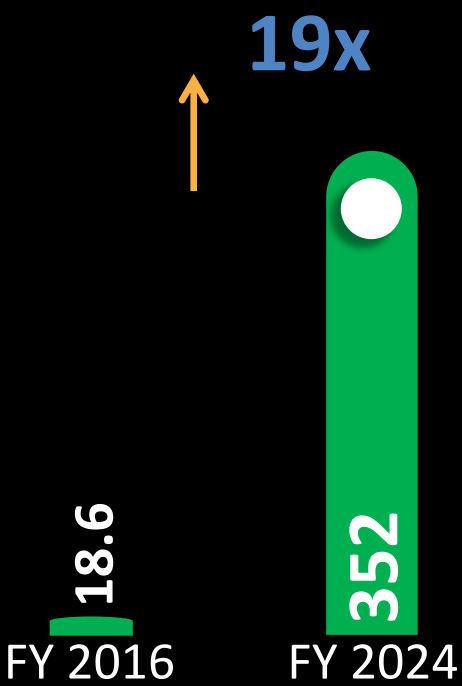
Maximize Recycling of all recyclable waste like e-waste, office paper, packaging and plastic wastes

Reduced Energy Consumption and...



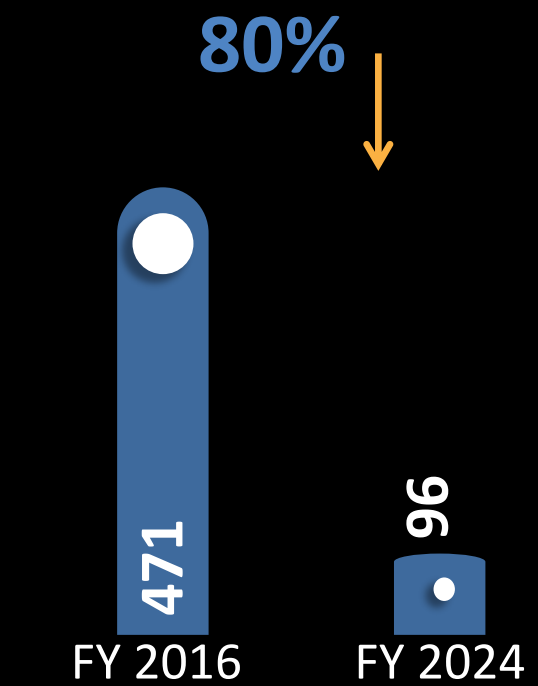
Total Energy Consumed in GWh

...Increased Use of Renewable Energy..

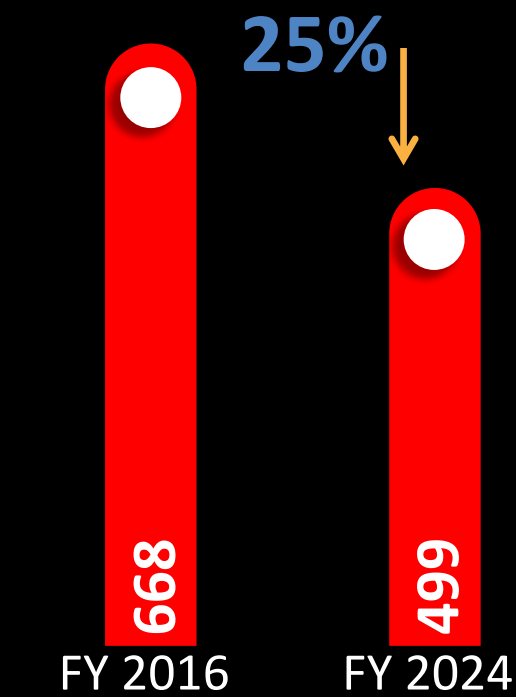


Renewable Energy Consumed in GWh

...reduced TCS' Carbon footprint.



Total Scope 1 + 2 Emissions in '000 tCO2e



Value chain emissions in '000 tCO2E

\* 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



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

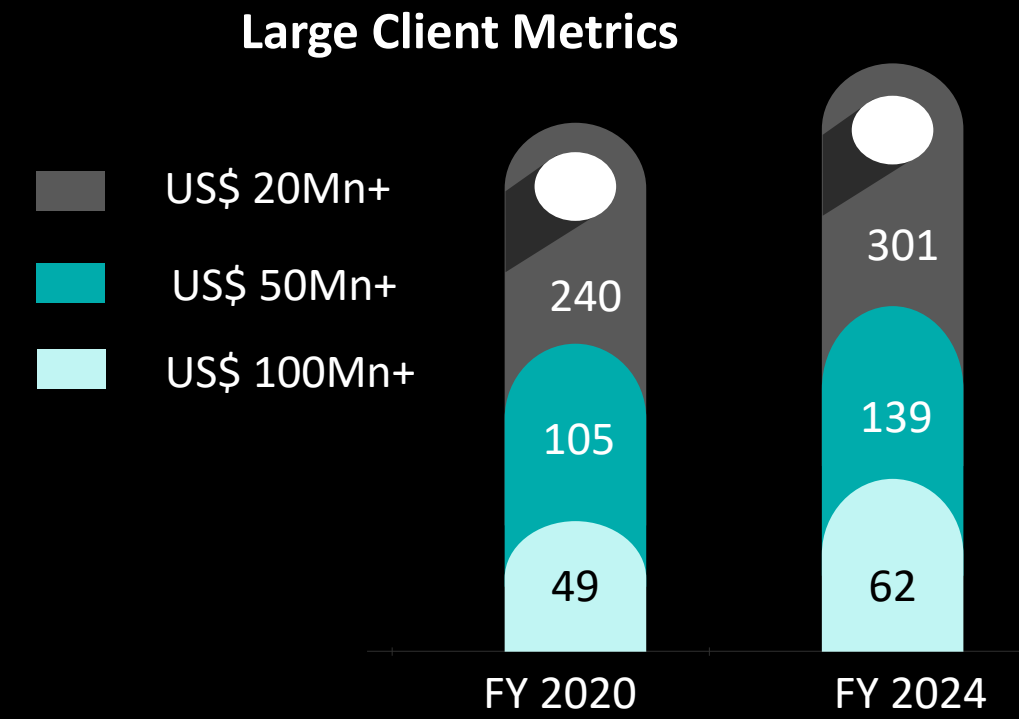
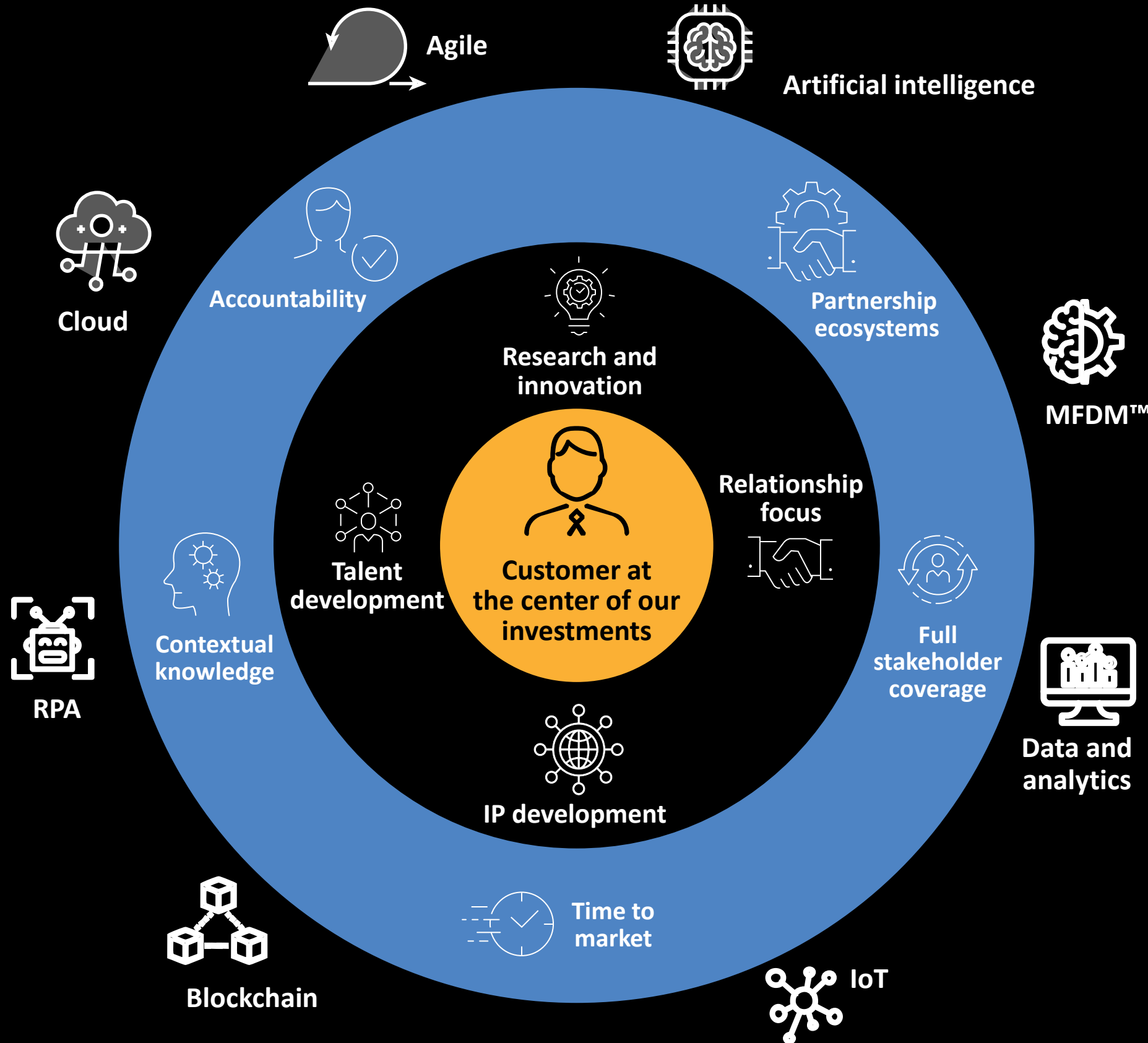


TCS ranked as a Top Company in LinkedIn's 2023 Top Companies list across eight countries. Ranked #1 in India for three years in a row.

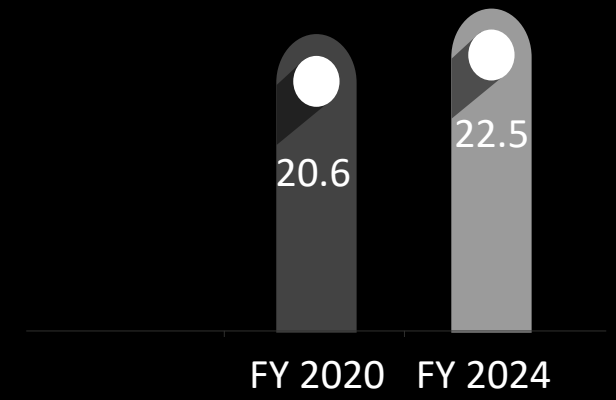
# Longer Term Growth Strategy



# Customer-centricity at the core of our strategy



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



Growth 9.3%

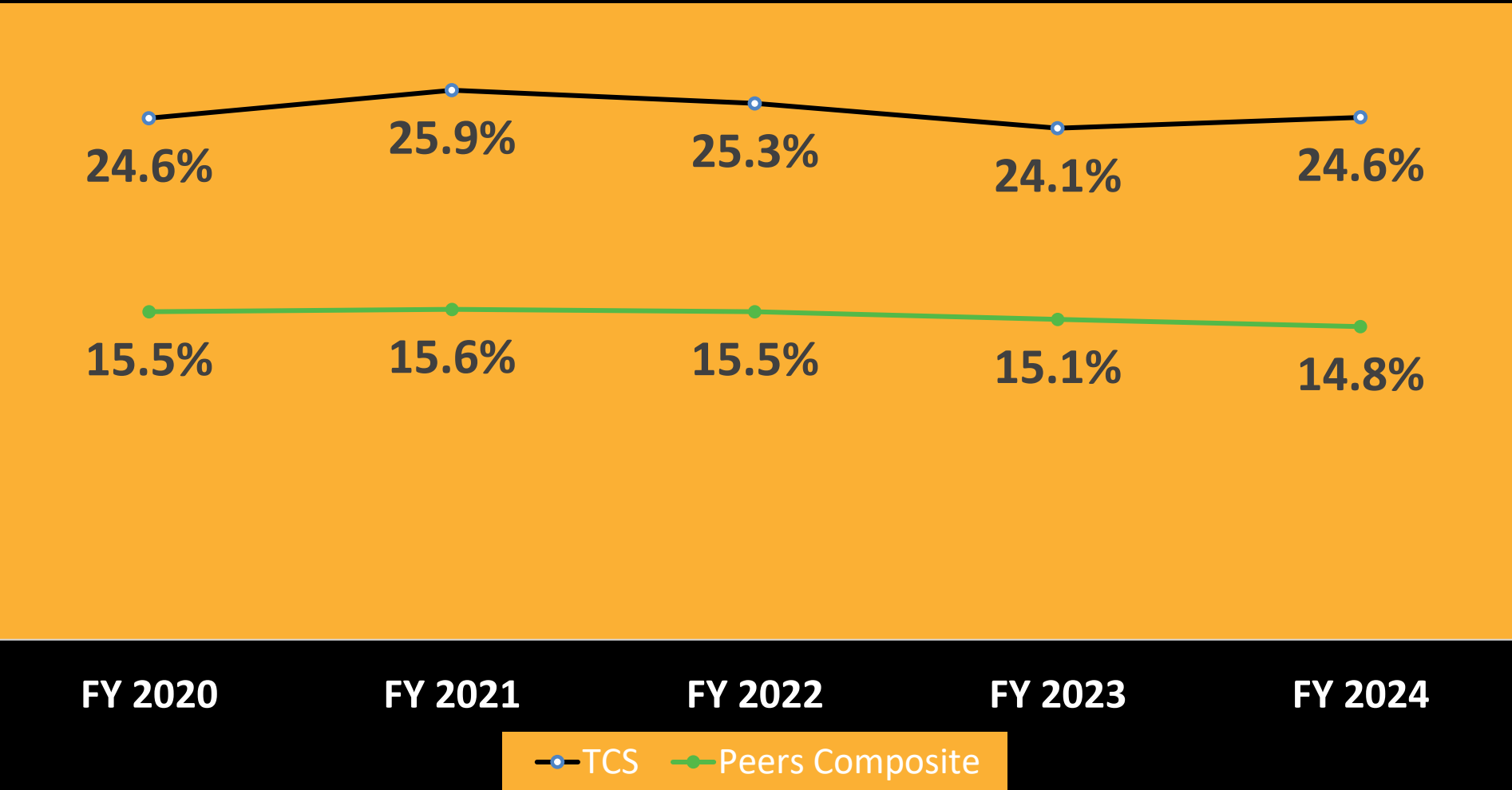
**#1 IN CUSTOMER SATISFACTION**  
 2023/24 EUROPE  
 Whitelane Research



# Consistent Profitable Growth for Long Term Value Creation

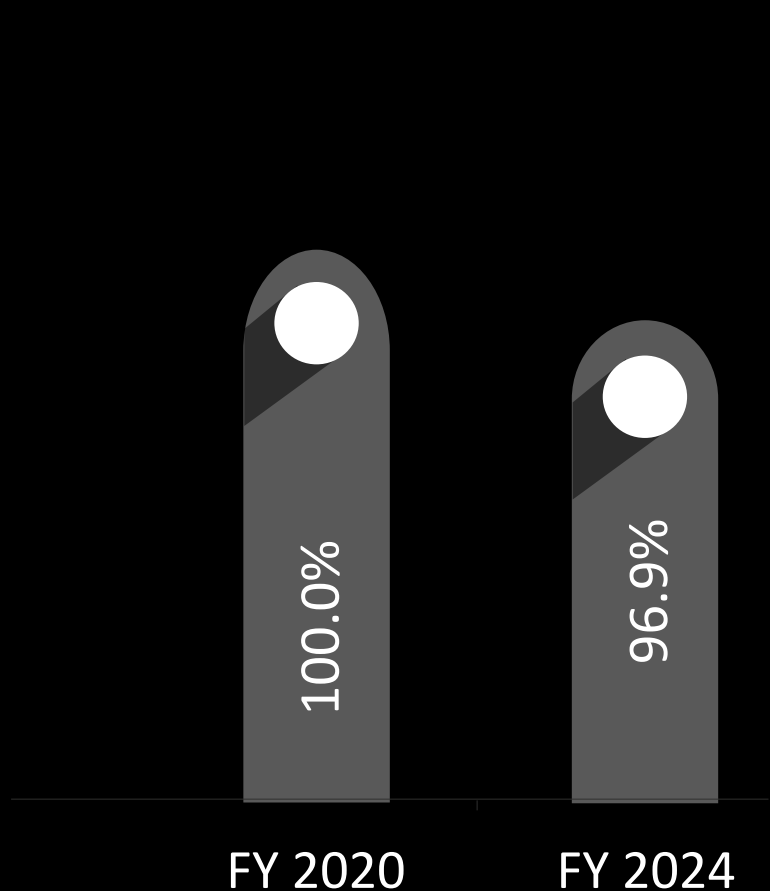
## Resilient, Industry-Leading Profitability

EBIT Margin



## Robust Cash Flow

Cash Conversion OCF to Net Income

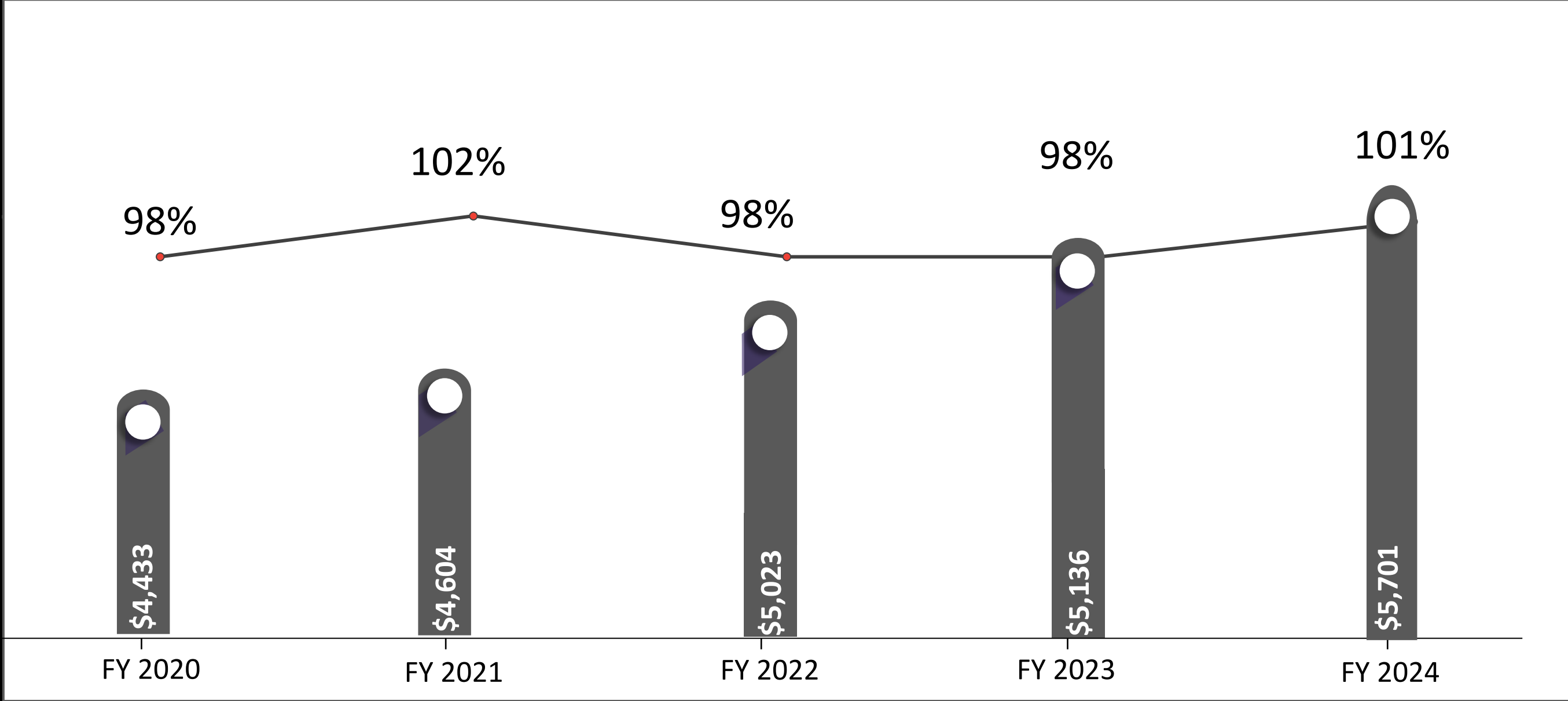


Free Cash Flow USD Mn



# 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	Literacy	Entrepreneurship	Employment	Employee Volunteering	Health & Wellness
<p><b>Ignite My Future:</b></p> <p><b>312K+</b> Students    <b>6K+</b> Educators</p> <p><b>go Innovate Together:</b></p> <p><b>118K+</b> Students    <b>3.6K+</b> Educators</p>	<p><b>Literacy as a Service:</b></p> <p><b>20K+</b> adults gained literacy and access to government entitlements</p>	<p><b>BridgelT:</b></p> <p><b>348</b> active entrepreneurs providing last-mile services to <b>312K</b> beneficiaries</p>	<p><b>Youth Employment Program (YEP):</b></p> <p><b>23K</b> marginalized youth gained industry readiness</p>	<p><b>Hours Of Purpose by Employees (HOPE):</b></p> <p><b>143K+</b> volunteers</p> <p><b>6.7</b> million hours</p>	<p><b>Tata Medical Center, Kolkata and Cancer Institute, Chennai</b></p> <p><b>173K+</b> new patient consultations</p>

Individual Program beneficiary numbers are for FY 2024

# And Helping Clients in Their Sustainability Journeys

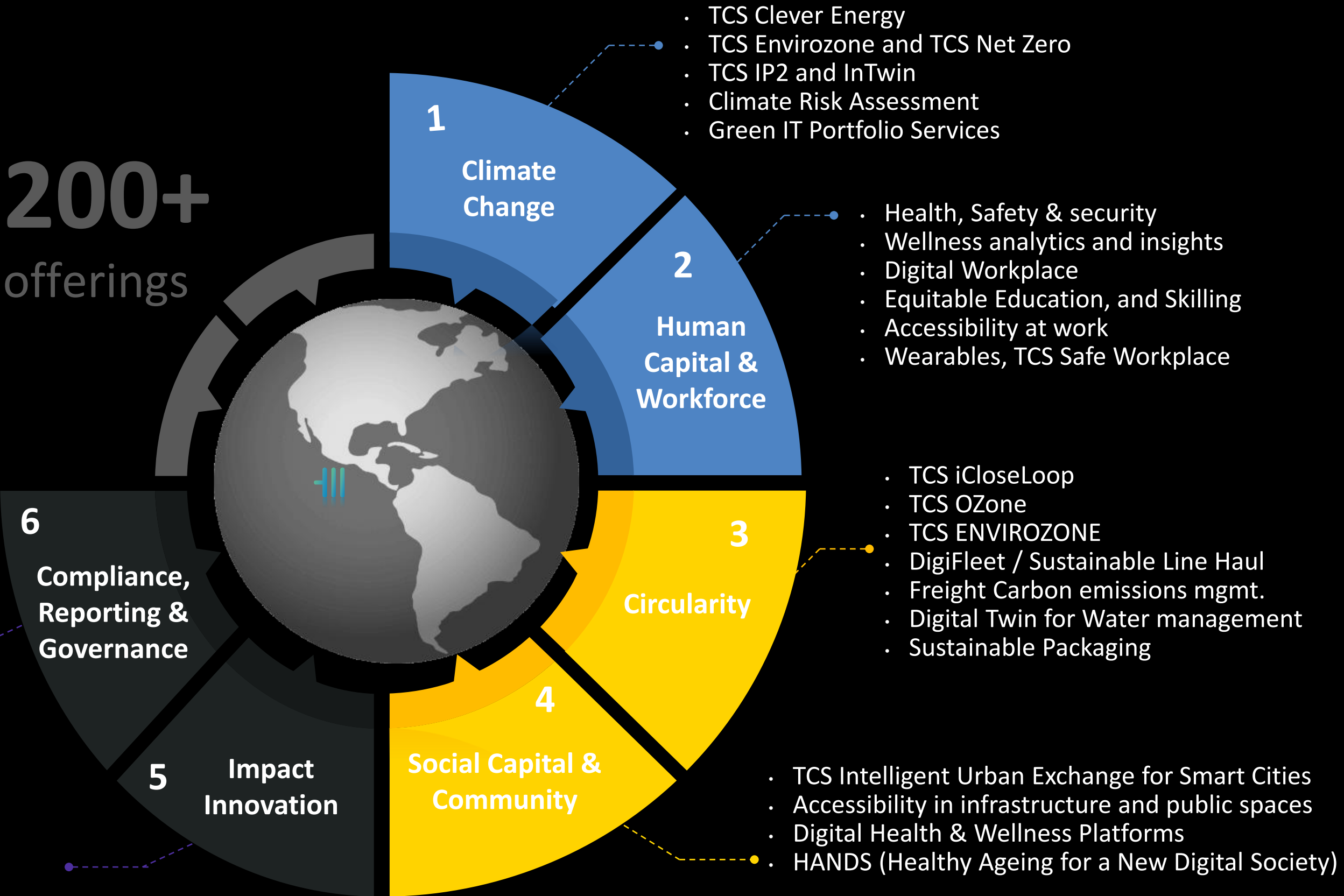
200+ offerings

and more

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

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

- TCS Pace and TCS PacePort
- Digital Impact Square



# TCS Strategic Responses to Opportunities and Threats

## Opportunity / Threat



- 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

- Greater interest in using technology to drive business growth and differentiation

## TCS Approach



- 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.

- 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.

## Outcomes



- 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.

- 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



- Strategic technology investments

- Greater acceptance of as-a-Service platforms

## TCS Approach



- 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.

- 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.

## Outcomes



- 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.

- 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

# Financial Highlights

Amount in USD Mn, unless otherwise stated

IFRS	Yearly			Quarterly		
	FY 2024*	FY 2023	YoY*	3Q 2025	3Q 2024*	YoY*
Revenue growth – Constant Currency			3.4%			4.5%
Revenue - INR Mn	2,408,930	2,254,580	6.8%	639,730	605,830	5.6%
Revenue	\$29,080	\$27,927	4.1%	\$7,539	\$7,281	3.5%
Gross Profit	\$11,745	\$11,043	6.4%	\$2,926	\$2,970	-1.5%
Gross Margin	40.4%	39.5%	90 bps	38.8%	40.8%	-200 bps
Operating Income	\$7,158	\$6,714	6.6%	\$1,844	\$1,821	1.3%
Operating Margin	24.6%	24.1%	50 bps	24.5%	25.0%	-50 bps
Net Income	\$5,623	\$5,219	7.7%	\$1,458	\$1,410	3.4%
Net Margin	19.3%	18.7%	60 bps	19.3%	19.4%	-10 bps
<b>EPS in INR</b>	<b>127.74</b>	<b>115.19</b>	<b>12.6%</b>	<b>34.21</b>	<b>32.14</b>	<b>6.4%</b>

\* excludes settlement of legal claim



Thank you