HCLTech | Supercharging Progress™

# Business & Growth Strategy

**C Vijayakumar**
CEO & Managing Director

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## Partner to over 50% of the Global 500

## 220+ leadership recognitions
by analysts

## Ranked as the #1 employer in the Professional Services Sector
per Forbes' World's Best Employers 2021

## Corporate Citizen of the Year Award 2021
by The Economic Times for championing social change and good governance

# HCLTech at a glance

**219K**
ideapreneurs

**$12.1Bn**
Revenue

**167**
Nationalities

**54**
Countries

**Focus areas**


Digital


Engineering


Cloud


Software

LTM revenue as on Sept. 30, 2022

# Our new brand identity and positioning

**Our purpose:** To bring together the best of technology and our people to supercharge progress

For our
## Clients

We help deliver business outcomes for our clients, at speed and at scale; vested to solve day-to-day or complex challenges with both pragmatism and resilience.

For our
## People

We help current (and prospective) employees 'find their spark' and supercharge their career potential.

For our
## Communities

We believe that impact comes from within, and it drives our long-standing commitment to the communities where we work and live.

For our
## Planet

We deliver long-lasting impact through our actions as a company and through our pacts with stakeholders for a more sustainable future.






# Strategic objectives

Leadership through **differentiated services and products**

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**Employer of choice** in professional services across all key geographies

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Preferred **Digital partner for Global 2000** enterprises in chosen markets

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Weave **ESG goals** into business strategy

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Deliver **top quartile TSR** over the medium term

# Market opportunities

## Cloud Transformation
Leverage the ecosystem for continuous modernization and innovation

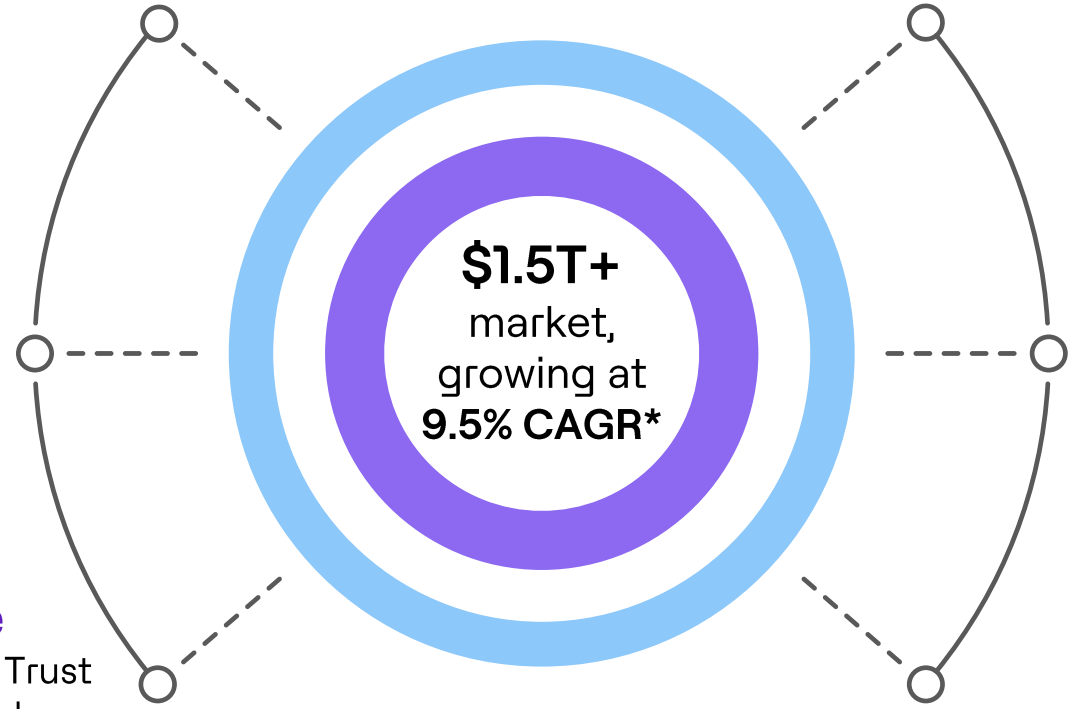
■ $917B ■ 20%

## App & Data Modernization
Operating Model & Value ChainTransformation, Cloud Adoption

■ $507B ■ 23%

## Security & Compliance
Security-First Cloud Model, Zero Trust capabilities & Modern Identity-led

■ $100B ■ 8%




## Digital Engineering
Global shoring of ER&D Services driven by Industry 4.0, Softwarization, IoT, 5G and AI

■ $100B ■ 8%

## Digital Workplace
Consulting and Experience-led growth in a hybrid workplace

■ $54B ■ 11%

## Enterprise Software
Digital Transformation, Intelligent Automation, Data & Analytics, Enterprise Security

■ $362B ■ 16%

* Total market by 2025, adjusted for segmental overlaps

■ Market Size ■ Medium Term CAGR



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# Our Business Segments

## IT & Business Services

*75+ of Fortune 200*

- Leadership in Cloud transformation
- Pioneer in integrating and transforming Application and Infrastructure Services
- "Differentiated Challenger" in Apps & data modernization
- Participation in chosen areas of digital process operations

## ER&D Services

*60+ of Global R&D Top 100*

Top global player for decades

- Product engineering heritage
- Strong traditional & digital engineering capabilities
- Unique propositions for asset-heavy industries
- Market share expansion from a leadership position

## HCLSoftware*

*240+ of Global 500*

- 22 out of 81 cells covering 30% of $800B software market (Source: McKinsey)
- Platform of Trust in Digital Transformation
- Digital Operations Automation & Assurance
- Best-in-class TCO for Data/Analytics

| | IT & Business Services | ER&D Services | HCLSoftware* |
|---|---|---|---|
| Addressable Market | **$500B+** | **$90B+** | **$100B+** |
| FY'22 Revenue Split | 72.0% | 15.9% | 12.1% |
| FY'22 CC Growth | 14.5% | 16.8% | -1.3% |

**Power of the Ecosystem & CloudSmart proposition**
**Rightshoring – Nearshore / Global New Vistas and strong Employee Value Proposition – Find Your Spark**

* Previously Products & Platforms

# Business updates

- **Strong growth across services** – Continue to have one of the strongest organic growth rates in the industry
  - Digital Business (Consulting, Application Services & Data Analytics) expanding market share and driving 50% of the incremental growth
  - Digital Foundation continues to grow healthy **led by strong Cloud transformation & workplace modernization** opportunities
  - Engineering and R&D Services growing well supported by growth in traditional and digital engineering
- **HCLSoftware enabling large services wins** – Big deals in Q2FY'23 to contribute $125M ACV in FY24
- **Strong induction of entry level graduates** – 30,194 LTM ending Sept.'22 compared to 19,336 LTM ending Sept.'21
- Increasing focus on **accounts with large tech spend** delivering results. In FY'22:
  - 85% of the growth from ~50 accounts led by mining 35 existing clients and 15 new accounts
  - 40+ of these 50 accounts are either F500 or G500 accounts
- New opportunities driven by two key themes, amidst the turmoil – **Cloud-led Digital Transformation & Cost Optimization**
- **Clients consolidating vendors at even more rapid pace** - moving away from boutique firms and struggling large vendors
- **Disciplined capital allocation & selective capability acquisition** – Confinale for Wealth Management, Starschema for data analytics
- Decent booking expected in H2; Macro impact little more than expected at the start of the quarter

**18.5% YoY organic growth in Services business during H1 FY23**

# Only service provider rated as a Leader in all six Gartner Magic Quadrant™ reports related to IT Services

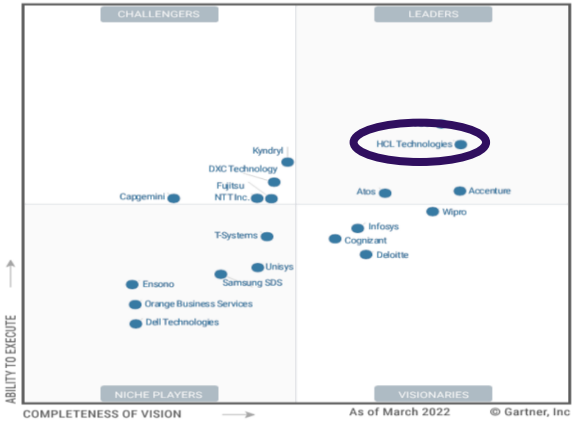
## Public Cloud IT Transformation Services




## Custom Software Development Services




## Data Center & Hybrid Infra Managed Services




## Managed Network Services




## Outsourced Digital Workplace Services



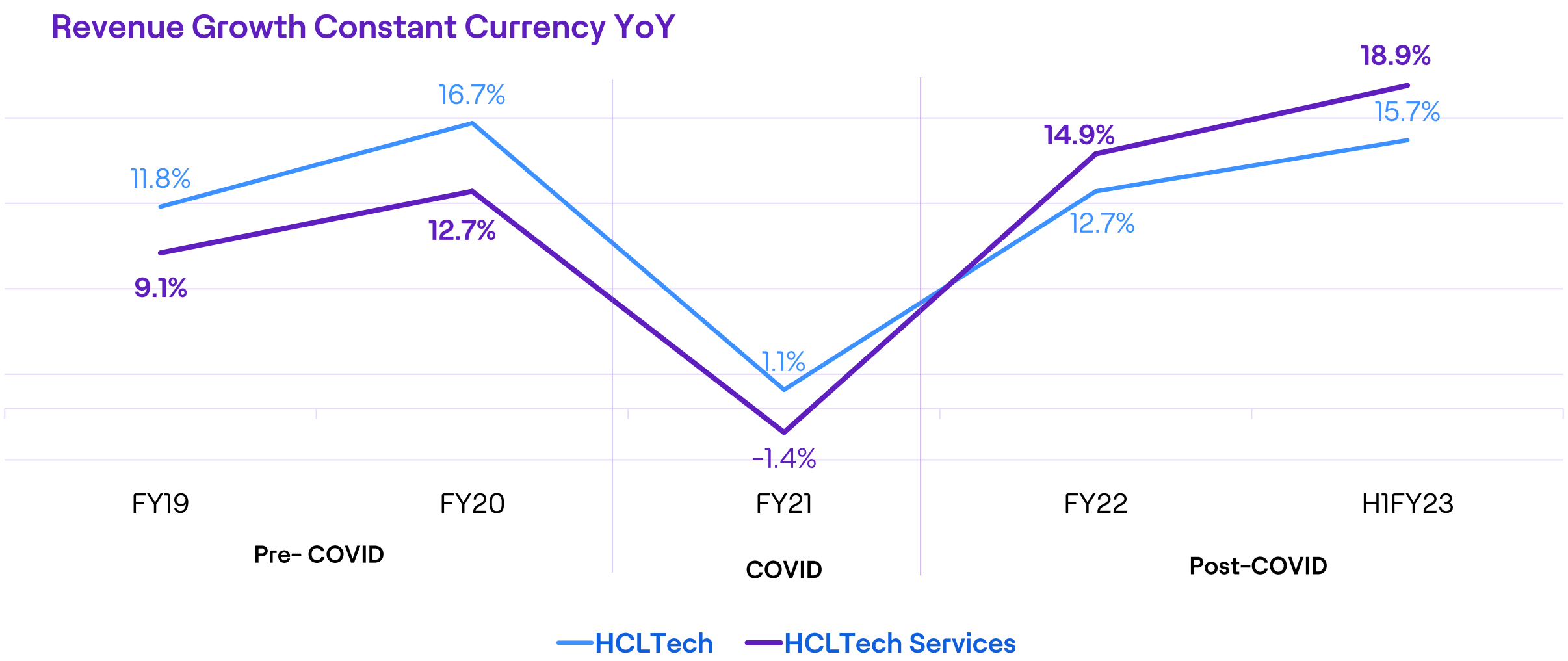

## Managed Mobility Services, Global






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# … contributing to one of the highest services growth rates in the industry






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# Looking ahead

Drive **greater brand awareness** and affinity in key markets

Align **services mix closer to market spend patterns** for service lines / countries

Ensure **Cloud at core of all service offerings**

Leverage **Digital Engineering capabilities** to address "new normal" of the tech industry

Emphasis on strategic & growth accounts through **cross-sell / upsell**

**Partner ecosystem to enable growth** – Hyperscalers, OEMs and SaaS platforms

**Nearshore delivery centers and increased entry level hiring** to drive margin expansion

# Supercharging progress toward sustainable planet

Committed to **Net-Zero** emissions by 2040

Ranked among **14** ESG Leaders in a listing of 586 companies by CRISIL

Recharged **21X** more water than we consumed during FY 2022

Featured amongst
**Most Sustainable Companies**
by Businessworld magazine

Winner of
**Cisco Global Digital Sustainability Award**
for IoT Solution

## Act



**How we act matters.**

- Reduce Scope 1 & 2 emissions by 50% by 2030
- Transition 80% of electricity usage to renewable energy by 2030
- Deliver sustainability training to all employees
- 40% women in workforce by 2030

## Pact



**We partner and collaborate with all stakeholder groups.**

- The Science Based Targets initiative has validated and commended HCLTech's 1.5°C pathway targets and signatory to The Climate Pledge
- Founding member of WEF's Global Parity Alliance
- 85,393 ideas generated through value portal, resulting in $11B value to our clients

## Impact



**We create measurable, sustainable impact.**

**70% reduction** in per capita **Scope 1 & 2 GHG emissions** in the last decade.

**7.3 million sq ft.** of building space in India is **platinum rated** by the U.S. Green Building Council (USGBC).

Launched HCLTech **Sustainability School** to provide our employees with sustainability related knowledge and skills

Ranked 25 out of 1,074 companies in the software and services sector. (Sustainalytics ESG rating)

Corporate ESG Performance
Prime
RATED BY ISS ESG

ISS ESG Prime Status



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