



Nandan M. Nilekani

CHAIRMAN'S SPEECH

Dear Shareholders,

A warm welcome to each of you to the 38th Annual General Meeting of Infosys. It is wonderful to have you all join us here today, and on behalf of the Infosys Board of Directors, I thank you for making the time. It is your support, and at the same time you challenging us to do even better, that pushes us to strive for more. During fiscal 2019, our overall revenue grew 9% in constant currency terms, totalling US\$11.8 billion, while our operational discipline ensured our margins stood at 22.8%. Our digital revenues, in constant currency terms, grew at 33.8% for the same period and is now a third of our total revenues.

We have made significant progress in executing the capital allocation policy that we announced in April 2018, to return ₹13,000 crore to shareholders. Over two special dividends paid out in June 2018 and January 2019, we distributed ₹4,740 crore as special dividend. We commenced share buyback of ₹8,260 crore on March 20, 2019. To celebrate 25 years of listing in India and to further increase the liquidity of shares, the company issued bonus shares in the ratio of 1:1 in September 2018. In sum, we generated 36% Total Shareholder Return for fiscal 2019.

The Board of Directors has recommended a final dividend of ₹10.5 per share for fiscal 2019. Coupled with an interim dividend of ₹7 per share paid in October 2018 and a special dividend of ₹4 per share paid in January 2019, the total dividend paid last year was ₹21.50 per share.

We clearly see that our clients operate in an increasingly complex world disrupted by many digital technologies, and they are looking at us to partner with them in this new era. At Infosys, our work across industries, value chains, and geographies, gives us keen insights into the pattern of changes transforming the fundamental wiring across a diverse set of businesses. We know that with this understanding, we are uniquely positioned to assist our clients in picking up the right signals and to discover what's next. We can work with them to build and leverage Direct to Consumer channels that provide deep consumer insights. We can help them emulate platform companies that are bringing customers more choices by moving quickly into adjacencies or by unbundling traditional value chains. We can explain how their new competitors with a 'winner takes all' approach are forging ahead to often change the rules of the game. We can contribute to shaping counter moves that bring data together with AI and Machine Learning to chart new ways of creating value. We can also build systems for them to respond at the speed of data, much like the 'adapt to survive' response, typical of living species. We can provide a roadmap to transform their IT infrastructure to digital infrastructure. We are fully gearing up to help nurture this Live Enterprise – the organization that never stops navigating its next.

To serve this aspiration, we are ourselves embracing the Live Enterprise vision and continuously changing to prepare for this new world. In fact, in the past year, we have done much to progress on this path. We have been working relentlessly to rebuild our 200,000+ people organization to operate with the speed and flexibility of a start-up. We are renewing legacy systems and discarding legacy mindsets. We are becoming agile in our responses to a rapidly changing external environment, and with it increasing the velocity of ideas and innovations we generate and execute. We are relying on extreme automation to free up our people to focus more than ever on solving client challenges, mentoring their teams and investing in continuous learning. Working to dissolve silos across the global organization, we are making consistent efforts to ensure that our clients have immediate access to ideas emanating from across the organization, so that they can leverage the best of Infosys every time they interact with us. In fact, we first implement our ideas for ourselves, hone them at speed and scale, and only then advocate their use to our clients.

This has meant focusing on personal growth, nurturing zero-latency in processes, ensuring just-in-time data for decision making, driving hyper-productivity and facilitating continuous learning to instil new patterns of behaviour. For example, our InfyMe app is a mobile-first window into the world of Infosys that every employee can access with a simple tap on their phones. Lex is another app that is immensely popular among employees seeking to prepare themselves for emerging digital opportunities by developing corresponding skills. These are just early manifestations of the connected, sentient digital world we are beginning to build for our people.

Guided by the strategy articulated by Salil Parekh, our CEO & MD, we focused on increasing our relevance

to clients and building greater business model resilience. Over the last year, we have deepened our digital capabilities, especially in the areas of Experience, Data, Analytics, Cloud, SaaS, IoT, Cyber Security, AI, and Machine Learning. To enhance our ability to engage with our clients for their large digital transformation programs, we invested in nurturing specialized client-facing teams to drive strategic partnerships. We expanded our digital centres in the US, Europe, and Asia Pacific, in addition to creating new infrastructure for digital delivery in India. Our acquisitions of Brilliant Basics, WongDoody, and Fluidio are seeing strong traction with our clients. Complementing these, our strategic partnerships with Temasek in Singapore and South-East Asia, and with Hitachi, Panasonic and Pasona in Japan, are strengthening our worldwide network.

In addition to being a year of relentless execution of a robust strategy, this one has also been, much to my delight, one of resolute stability, exemplary management leadership and coming together of one unified team Infosys. I cannot ask for better preparedness to focus on our clients and the transformational work we need to execute for them. On behalf of the Board, I want to assure you all that we will do everything we can to build on these advantages and harness the vitality of this high-energy management team that is inspiring thousands of charged Infoscons to move forward and take the world with them.

Our aspirations are ambitious and execution plans bold. Our motivation and commitment to take it forward is founded on the generous guidance and support of our partners, clients, co-founders and governments of the several countries and states that we operate in. I am grateful to them for their trust in us and invite them all, and you our shareholder, to stay with us as we move forward on this journey.

Thank you,



Nandan M. Nilekani
Chairman

Bengaluru
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