

## Operating context

**Software and computing technology are transforming businesses in every industry around the world in a profound and fundamental way. During fiscal 2022, we witnessed an acceleration in the adoption of digital technologies as businesses attempted to reimagine their cost structures, increase business resilience and agility, personalize experiences for their customers and employees, and launch new and disruptive products and services.**

Leveraging technologies and models of the digital era to both extend the value of existing investments and, in parallel, transform and future-proof businesses, is increasingly becoming a top strategic imperative for business leaders. From an IT perspective, the renewal translates to reimagining human-machine interfaces, extracting value out of digitized data, building next-generation software applications and platforms, harnessing the efficiency of distributed cloud computing, modernizing legacy technology landscapes and strengthening information security and data privacy controls.

The fast pace of technology change and the need for technology professionals who are highly skilled in both traditional and digital technology are driving businesses to rely on third parties to realize their business transformation. Several new technology solution and service providers have emerged over the years, offering different models for clients to consume their solution and service offerings, such as data analytics companies, software-as-a-service businesses, cloud platform providers, digital design boutiques, and specialty business process management firms.

During fiscal 2022, businesses around the world continued to battle disruptions due to the COVID-19 pandemic, balancing employee well-being, new ways of remote and hybrid working and managing the changing expectations of employees and customers.

The future of the technology industry is being shaped by the following trends:

- An accelerating demand for IT services with digital becoming mainstream and new growth pockets e.g., cloud, AI, cybersecurity, IoT and immersive technologies
- A significant increase in enterprise spending on hybrid, multicloud-led transformation

- A proliferation of tech natives and large enterprises reinventing digital business models
- An intense war for talent as clients embrace new ways of working, coupled with scarcity of niche digital skills
- Environmental, Social and Governance (ESG) becoming a strategic theme for all stakeholders of an enterprise

### Responsibility and responsiveness – key to sustained business success

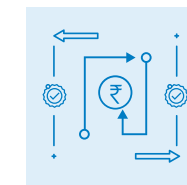
If companies want to take charge of their destiny, they must reimagine themselves in a more resilient, agile, de-layered and de-bureaucratized manner. This means making themselves so sentient that the nerve tips of the organization are able to quickly respond to the changes in the context in which the business finds itself. And this context extends into the environmental, social and governance ecosystems that the business operates in.

As an early proponent of responsible business, we at Infosys have readily embraced ESG factors into everything we do. Our [ESG Vision 2030](#) articulates our ambitions on this front.

We have balanced success as a business with unwavering focus on exemplary governance and responsiveness to the needs of our stakeholders. Our primary stakeholders include investors, customers, employees, suppliers, communities, government and regulatory bodies. The expectations of our investors include sustainable business performance, returns and good reputation. Our customers expect long-term business value in every engagement and demand innovative solutions to the business problems they need resolved. In a knowledge-led and people-intensive industry like ours, employees expect organizations to provide opportunities to continuously learn and reskill themselves while navigating new opportunities and a northward career trajectory. Hybrid work models, safety and wellness are also important expectations from the discerning talent pool. Suppliers are keen to strengthen long-term relationships and win-win propositions. The community seeks improved lives through access to education, healthcare and livelihood opportunities. Governments and regulators emphasize good corporate governance, legal compliance and overall contribution to the economy.

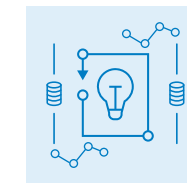
### Introducing our capitals

To leverage business opportunities, respond to emerging trends and create sustained stakeholder value, we are dependent on our key resources and relationships, collectively termed 'capitals'. The quality, accessibility, and affordability of these capitals are integral to our value-creation ability. Our strategy, ESG ambitions and stakeholder focus drive effective and responsible management of these capitals.



#### Financial Capital

Our strong performance on the back of meticulous execution over the years, as reflected in the combination of high growth and profitability, has led to building a strong, debt-free and liquid Balance Sheet.



#### Intellectual Capital

Intellectual Capital is at the core of our culture of innovation, generating intellectual property that benefits all the capitals.

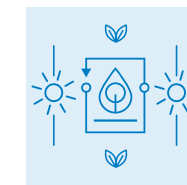


#### Human Capital

Our people are our assets, our Human Capital. Opportunities for learning and reskilling, fulfilling careers, safety and wellness are integral to our culture.

### Interaction between the capitals

The capitals, as introduced below, provide a holistic perspective of how short, medium and long-term value is created and preserved at Infosys. Our strategy and ESG vision guide the conducive interaction of the capitals with each other to create synergy across the organization as we strive to fulfil the expectations of all our stakeholders as One Infosys. The Financial, Intellectual, Human, Social and Relationship, Manufactured and Natural Capitals serve as key inputs to our business activities which facilitate their interplay to generate outputs and outcomes which lead to the creation of long-term value.



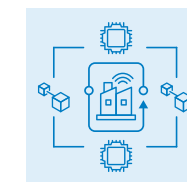
#### Natural Capital

Natural Capital represents all the natural resources that are used and in turn are affected by our operations.



#### Social and Relationship Capital

This capital represents our engagements and relationships with external stakeholder groups, namely clients, investors, suppliers, communities, and government and regulators.



#### Manufactured Capital

Our Manufactured Capital includes our offices, data centers, innovation hubs and digital studios and our technology infrastructure across the globe.