Strategy Exercise for CSR Global Leadership Meet
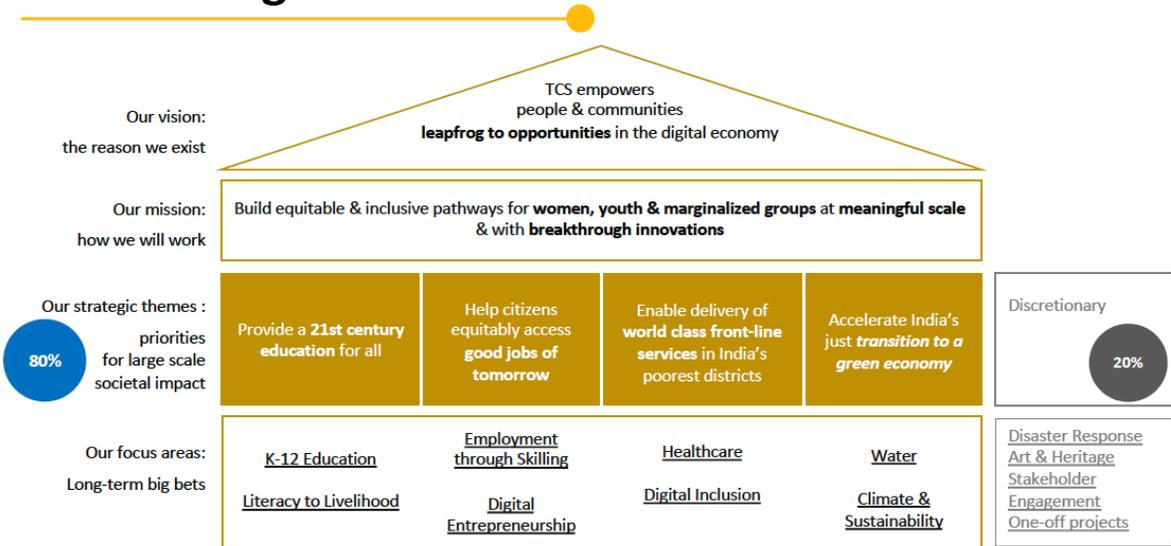
Background

Of the 8 billion people who inhabit our planet, 758 million people still living in extreme poverty (< $2/day income) and nearly half the world is impoverished (< $5/day income). As the world's 2nd most valuable IT company that thrives on knowledge work, 21st century skills, consulting for be-spoke services, and driving sustainability solutions.

We see our role as taking on **'big bets'** aimed at people with highest need, in communities where resources are low, while using its core strengths to make a meaningful impact.

Therefore, social purpose is to connect people to opportunities in the digital economy by building equitable, inclusive pathways for all – especially women, youth, and marginalized groups.

To create social outcomes of generational improvement, we are empowering people to move from poverty to prosperity (<$2/day to $2-8/day to $8-32/day to>$32/day) through four strategic priorities aligned to the UN SDGs with defined eight focus areas and 'long-term big bet' goals:
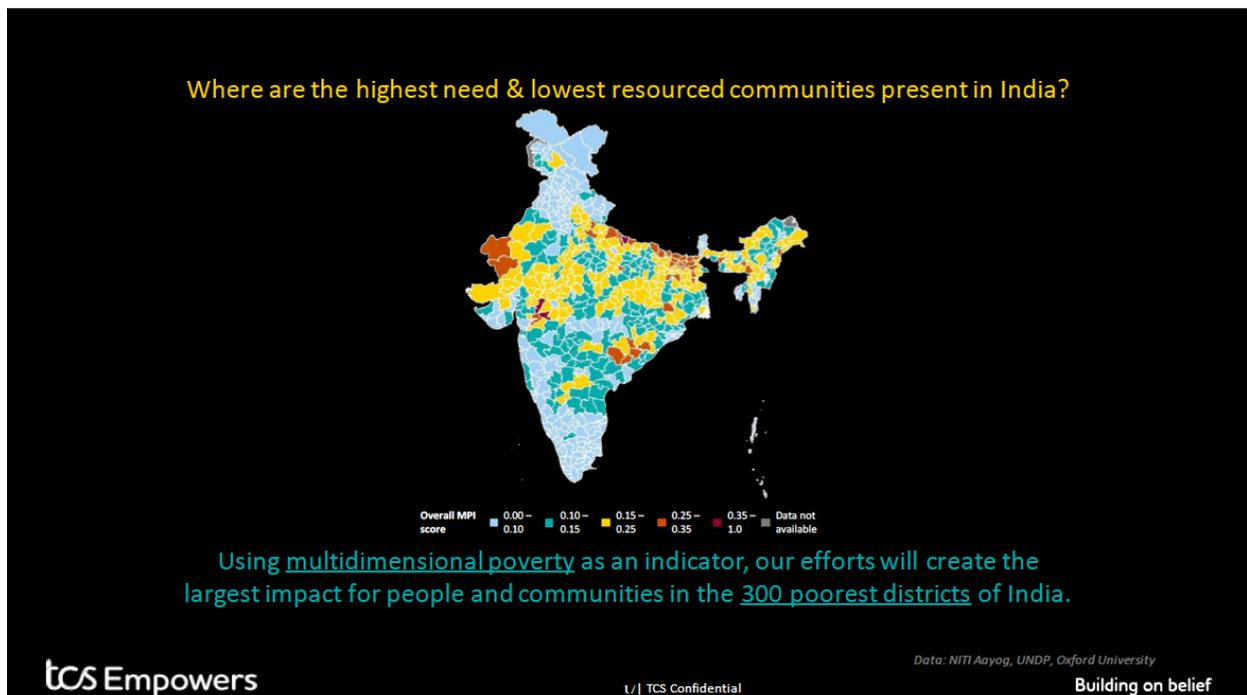

Our Strategic Themes

Our vision: the reason we exist	TCS empowers people & communities **leapfrog to opportunities** in the digital economy		
Our mission: how we will work	Build equitable & inclusive pathways for **women, youth & marginalized groups** at **meaningful scale** & with **breakthrough innovations**		

Our strategic themes: priorities for large scale societal impact	80%	Provide a **21st century education** for all	Help citizens equitably access **good jobs of tomorrow**	Enable delivery of **world class front-line services** in India's poorest districts	Accelerate India's just *transition to a green economy*	Discretionary 20%
Our focus areas: Long-term big bets		K-12 Education / Literacy to Livelihood	Employment through Skilling / Digital Entrepreneurship	Healthcare / Digital Inclusion	Water / Climate & Sustainability	Disaster Response / Art & Heritage / Stakeholder Engagement / One-off projects

Big Bets for 2030

To achieve large scale social impact, we are identifying big bets – **essentially opportunities for impact within chosen focus areas**, where our long-term interventions can make a tangible difference.

Step 1: Where will we serve?

- Take the example of India where we used data from sources such as the Census, Niti Aayog, World Bank, UNDP, Oxford to arrive at the Multi-Dimensional Poverty view at a district level.
- Source validation ensures that the data is authentic, reliable, nonpartisan and is likely to be longitudinally updated in the future. This provides a baseline against which to compare progress.
- In India, we then identified 'clusters of poverty' within Top 100, 100-200, 200-300 districts which represent the most marginalized parts of the country.
- We then look at historic data of the work we have done across the geo, along with data of where TCS has presence.

Where are the highest need & lowest resourced communities present in India?

| Overall MPI score | 0.00 – 0.10 | 0.10 – 0.15 | 0.15 – 0.25 | 0.25 – 0.35 | 0.35 – 1.0 | Data not available |

Using multidimensional poverty as an indicator, our efforts will create the largest impact for people and communities in the 300 poorest districts of India.

Data: NITI Aayog, UNDP, Oxford University

tcs Empowers

ι/| TCS Confidential

Building on belief

Q2: Where are the most marginalized districts / counties in your geography using authentic, reliable, nonpartisan data sources?

Q3: Where is TCS present in your geography at a district/county level?

Q4: Where has TCS' social impact work historically been done in districts/counties in your geography?

Q5: What should be our larger goal for reach in the geography, considering the scale of TCS' operations and the level of need? (e.g. 1%/10%/50% of population & why?)

Step 2: How we serve

Our Focus Areas

	Provide a **21st century education** for all	Help citizens equitably access **good jobs of tomorrow**	Enable delivery of **world class front-line services** in India's hardest-to-reach areas	Accelerate India's **just transition to a green economy**
Strategic Themes				
Our Focus Areas	K-12 Education / Literacy to Livelihood	Employment through Skilling / Digital Entreprenuership	Healthcare / Digital Inclusion	Water / Climate & Sustainability
Opportunity for Impact in India	265 million students in Govt. Schools / 257 million nonliterates	42% graduates under 25 years unemployed / 41 million students in higher ed.	196 million < Rs. 1.25 lac p.a. & ~1 billion <Rs. 2.5 lac p.a. household income	54% of India faces 'high to extremely high' water stress / Air pollution at 10x WHO limits
Long-term Big Bets	Build a generation of 21st century thinkers by teaching **50M children** computational thinking by 2030 / **100M marginalized** Indians access social welfare entitlements & enhance their livelihood through 21st century literacy.	Facilitate employment and apprenticeships, helping **10 Million** marginalized youth transition from college to career by 2030 / TCS bridges **last-mile gap for 300 poorest districts**, creating access to front-line services through **1 Million "digital entrepreneurs"**.	Create **access to Govt. Entitlements Financial Services, Healthcare, WASH,** for the 300 poorest districts.	**Replenish groundwater** in India's 100 poorest districts?* / **Transform air quality** to WHO standards for 5 worst affected regions?*

* Assessment in progress

5 | TCS Confidential

- Within our strategic themes and focus areas, we scan the environment to understand the opportunity gap. We then arrive at a suitable problem statement that can help us place the 'big bet'.
- **Take for example, the case of 21st century education for all**. Within the K12 Education focus area for India geo, we know there are 265 million students in Government/Public Schools.
- What if we could build the next generation of 21st century thinkers by teaching 50 million students computational thinking by 2030.
- This requires thinking at an ecosystem level first, to understand the landscape of education.

- Then look at the value chain of the specific problem statement, to identify where TCS is best suited to make a difference.
- Map out the solutions across the value chain, noting where TCS' goIT & IMF programs already address the need.
- Identify gaps where TCS has strengths, and programs are currently not covering the solution.

Q6: What is the <u>education landscape</u> in the top priority countries in your geo? (Provide a detailed narrative from stages of K-12 education to college to careers, along with data points & relevant insights.)

Q7: What is the big bet for 2030 we should place for education in those top priority countries? (e.g. in 2017 we placed the big bet of 'CT for 1 million students & 20K teachers in 5 years across U.S.')

Q8: How will we achieve this big bet? (Strawman plan for what will success look like including & beyond reach numbers – outcome of our efforts, impact on education system & society at large)

- Post the global meet, work on how to use the theory of change to expand/reimagine high ROI (Reach-Outcome-Impact) of goIT, IMF & other interventions that are contextual to your stakeholders' needs per country.
- Create a plan on how you will work with credible multi-sector partners from civic society, government, and industry to implement and scale programs.
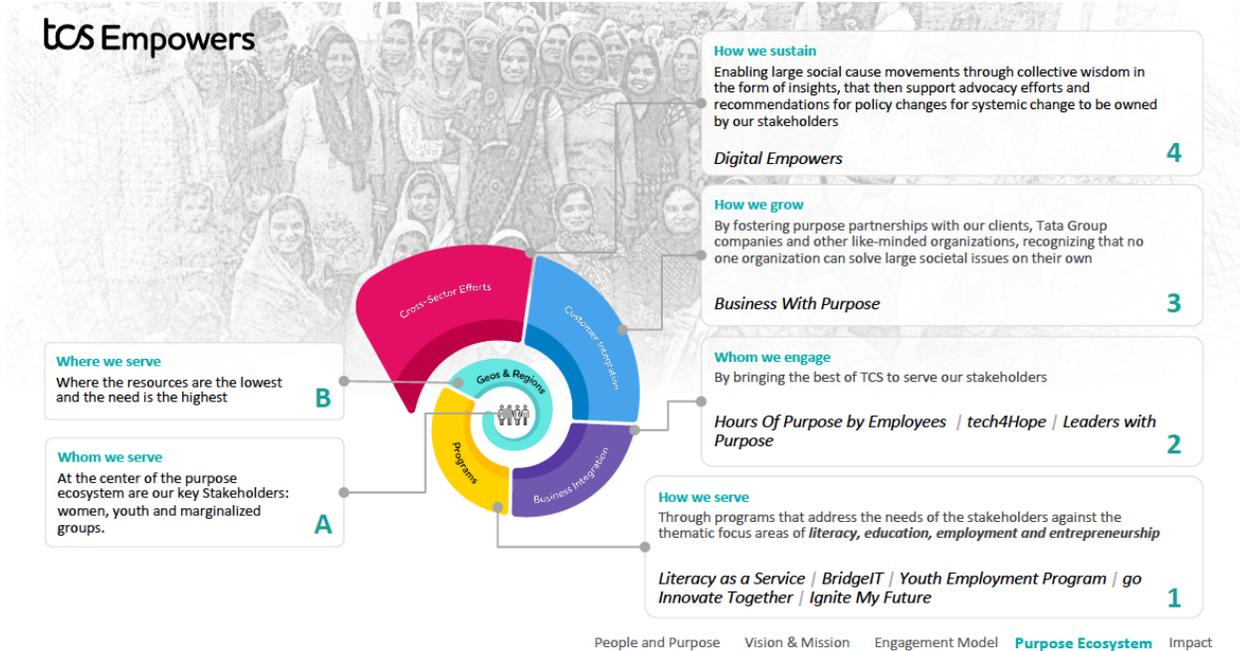
Leveraging the Purpose Ecosystem

Keeping the people & communities in need' at the center of our purpose ecosystem, we engage programs, employees, business teams & leaders, customers, and cross-sector organizations/leaders to serve their needs.

We follow the 4C model of Intellectual, Technology, Human & Financial Capital, to bring out the core strengths of TCS & our extended network.

Step 3: Whom we engage, how we grow, how we sustain.

- Every flagship program is designed to 'engage employees, business leaders, and business units in problems that only they can solve', through our employee volunteer program – HOPE (Hours of Purpose by Employees), and Business with Purpose program.

tcs Empowers

How we sustain
Enabling large social cause movements through collective wisdom in the form of insights, that then support advocacy efforts and recommendations for policy changes for systemic change to be owned by our stakeholders

Digital Empowers **4**

How we grow
By fostering purpose partnerships with our clients, Tata Group companies and other like-minded organizations, recognizing that no one organization can solve large societal issues on their own

Business With Purpose **3**

Whom we engage
By bringing the best of TCS to serve our stakeholders

Hours Of Purpose by Employees | tech4Hope | Leaders with Purpose **2**

How we serve
Through programs that address the needs of the stakeholders against the thematic focus areas of *literacy, education, employment and entrepreneurship*

Literacy as a Service | BridgeIT | Youth Employment Program | go Innovate Together | Ignite My Future **1**

Where we serve
Where the resources are the lowest and the need is the highest **B**

Whom we serve
At the center of the purpose ecosystem are our key Stakeholders: women, youth and marginalized groups. **A**

People and Purpose   Vision & Mission   Engagement Model   **Purpose Ecosystem**   Impact

- Engaging cross-sector stakeholders at local, regional, national, and global levels through our dedicated thought leadership program, we develop wisdom of communities, validate market research, and publish actionable insights.
- These forums and insights help us arrive at as well as keep refining our strategic priorities to be grounded within communities in need, while advocating for systems change through multi-modal partnerships at scale.

Q9: How will you serve education and other adjacent needs (e.g. nutrition, devices, connectivity, mental health, childcare) **in 'clusters of poverty' in the top priority countries in your geography through HOPE?**

Q10: How will you serve key nonprofits/NGOs/agencies working on education and adjacent needs in 'clusters of poverty' through Tech4HOPE and LWP?

Q11: How will you jointly serve 'clusters of poverty' through shared value partnerships with our clients & like-minded organizations through BWP?

Q12: How will you engage with community leaders at a local, cluster, regional and national level using Digital Empowers?