

DIRECTORS' REPORT

Dear Members,

The Board of Directors ("Board") have immense pleasure in presenting the **Thirty-Second Directors' Report** of HCL Technologies Limited ("HCLTech" or the "Company") together with the Audited Financial Statements for the Financial Year ("FY") ended March 31, 2024.

1. FINANCIAL RESULTS

Key highlights of the financial results of the Company prepared as per the Indian Accounting Standards ("Ind AS") for the FY ended March 31, 2024, along with corresponding numbers of March 31, 2023, are as under:

(₹ in crores)

Particulars	Consolidated		Standalone	
	FY ended		FY ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Revenue from operations	1,09,913	1,01,456	48,118	46,276
Other income	1,495	1,358	1,076	1,031
Total Income	1,11,408	1,02,814	49,194	47,307
Total Expenses	90,441	83,326	33,738	32,591
Profit before tax	20,967	19,488	15,456	14,716
Tax Expense	5,257	4,643	3,782	3,257
Profit for the year	15,710	14,845	11,674	11,459
Other comprehensive income	855	1,301	439	(259)
Total comprehensive income for the year	16,565	16,146	12,113	11,200
Earnings per share of ₹2 each				
Basic (in ₹)	57.99	54.85	43.11	42.32
Diluted (in ₹)	57.86	54.79	43.02	42.27

2. BUSINESS OVERVIEW AND STATE OF AFFAIRS

HCLTech brings together the best of technology and its people to enable global enterprises to accelerate their digital transformation journeys.

The Company has a footprint across 60 countries and employs over 2,27,000+ people. Its full stack technology services portfolio across the digital, engineering, cloud, AI and software makes it a preferred digital transformation partner to G2000 companies across industries.

The Company serves clients through a network of 200+ delivery centers and 150+ innovation labs. It has also established presence in 20 nearshore locations to deliver in-proximity services to clients. This global reach, combined with a robust ecosystem of partners and hyperscalers, allows it to deploy best-in-class technology solutions at speed and scale.

The advent of new technologies like GenAI and continued

digital transformation needs of enterprises offer growth opportunities to the Company.

On a consolidated basis, the Company's revenue from operations for the financial year under review was ₹ 1,09,913 crores as against ₹ 1,01,456 crores for the previous financial year. The profit for the financial year under review was ₹ 15,710 crores, as against ₹ 14,845 crores for the previous financial year.

On a standalone basis, the Company's revenue from operations for the financial year under review was ₹ 48,118 crores as against ₹ 46,276 crores in the previous financial year. The profit for the financial year under review was ₹ 11,674 crores as against ₹ 11,459 crores for the previous financial year.

The state of affairs of the Company is presented as part of the Management Discussion and Analysis Report forming part of the Annual Report for FY 2023-24.

3. DIVIDEND

The Board has paid the following interim dividends during the financial year under review:

S. No.	Dividend Paid during FY 2023-24	Date of Declaration	Rate of Dividend per Share (face value of ₹2 each)	Dividend amount* (₹ in crores)
1	1 st Interim Dividend	April 20, 2023	18/-	4,873
2	2 nd Interim Dividend	July 12, 2023	10/-	2,707
3	3 rd Interim Dividend	October 12, 2023	12/-	3,250
4	4 th Interim Dividend	January 12, 2024	12/-	3,250
Total				14,080

Note: The dividend amount is the gross amount before deduction of tax at source by the Company. Total tax deducted at source was approx. ₹ 1,375 crores.

The Board declared an interim dividend of ₹ 18/- per share for FY 2024-25 on April 26, 2024 after approval of the financial results for the quarter and financial year ended March 31, 2024.

4. TRANSFER TO RESERVES

The closing balance of the retained earnings of the Company, on a standalone basis, as on March 31, 2024, after all appropriations and adjustments was ₹ 32,783 crores.

For complete details on movement in Reserves and Surplus during the financial year under review, please refer to the Statement of Changes in Equity included in the Standalone and Consolidated financial statements of the Company for FY 2023-24.

5. SHARE CAPITAL

During the financial year under review, the Company has not issued any equity shares. As on March 31, 2024, the Authorised share capital of the Company was ₹6,03,40,00,000/- divided into 3,01,70,00,000 equity shares of face value of ₹2/- each.

The Issued, Subscribed and Paid-up equity share capital of the Company as on March 31, 2024, was ₹5,42,73,30,192/- divided into 2,71,36,65,096 equity shares of face value of ₹2/- each.

6. USD DENOMINATED UNSECURED NOTES ISSUED BY A WHOLLY OWNED SUBSIDIARY

During FY 2020-21, HCL America Inc., a step-down wholly owned subsidiary of the Company, incorporated under the laws of California, USA had issued USD 500 million fixed rate, senior secured notes ("Notes") with a maturity date of March 2026 and bearing interest rate of 1.375% per annum. The Notes were unconditionally and irrevocably guaranteed by the Company. The Company's potential liability under the guarantee was capped at USD 525 million which was 105% of principal amount of the Notes.

During FY 2022-23, HCL America Inc. through cash tender offer had bought back its Notes of the principal amount of USD 247.793 million. Post this buy back, the principal amount of Notes that remain outstanding are USD 252.207 million. Accordingly, as on March 31, 2024, the Company's aggregate potential liability for the Notes is USD 264.817 million which is 105% of the total aggregate principal amount of the Notes outstanding.

7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report in terms of Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ("Listing Regulations") shall form part of the Annual Report of the Company for FY 2023-24.

8. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As on March 31, 2024, the Company has 130 subsidiaries and 6 associate companies within the meaning of Sections 2(87) and 2(6) of the Companies Act, 2013 ("Act"), as amended from time to time, respectively.

A. Incorporation of new subsidiary during the financial year under review

HCL Technologies Holding UK Limited was incorporated under the laws of United Kingdom as a wholly owned subsidiary of the Company.

B. Acquisitions done during the financial year under review

ASAP Holding GmbH

HCL Technologies UK Limited a Company incorporated in UK and a step-down wholly owned subsidiary of the company had acquired 100% stake in ASAP Holding GmbH, a German automotive engineering technology provider in areas such as autonomous driving, e-mobility and connectivity. Pursuant to this acquisition, ASAP Holding GmbH and its 10 subsidiaries have become the step-down wholly owned subsidiaries of the Company with effect from August 31, 2023, being the date of completion of the acquisition.

The names of the aforesaid 10 subsidiaries are provided under note 3.32 to the Consolidated Financial Statements which shall form part of the Annual Report FY 2023-24.

C. Subsidiaries merged / closed during the financial year under review

The Company's endeavour is to achieve organisational efficiency by optimising resources and managing costs for operating in various countries. Accordingly, after taking into consideration the business aspects, local laws and regulations, etc., the Company takes appropriate actions for internal restructuring by integrating businesses amongst subsidiaries so as to reduce the number of entities.

Considering the above, the following step-down wholly owned subsidiaries of the Company were merged / closed:

- a) Manzina Tech GmbH (incorporated in Switzerland) was merged with and into Confinale AG (incorporated in Switzerland) on July 4, 2023.
 - b) Sankalp Semiconductor Sdn. Bhd. (incorporated in Malaysia) was liquidated on October 3, 2023.
 - c) Brilliant Data LLC (incorporated in Virginia , USA) was voluntarily dissolved on February 8, 2024.
 - d) TeleRX Marketing Inc. (incorporated in Pennsylvania, USA), was merged with and into HCL America Inc. (incorporated in California, USA) on March 15, 2024.
- D. Divestment of stake in the Joint Venture (JV) with State Street International Holdings

HCL Investments UK Limited, ("HCL UK") a company incorporated in UK and a wholly owned step-down subsidiary of the Company had a Joint Venture with State Street International Holdings, a US corporation. Pursuant to the Share Purchase Agreement, HCL UK has divested its entire 49% equity stake in the JV, w.e.f. April 1, 2024.

E. Financial Statement of the Subsidiaries

In terms of the requirements of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries, associates and joint ventures in Form AOC-1 shall form part of the Annual Report for FY 2023-24.

In accordance with the provisions of Section 136 of the Act and Regulation 46 of the Listing Regulations, the standalone and consolidated financial statements of the Company along with relevant documents for FY 2023-24 shall be available on the website of the Company at <https://www.hcltech.com/investor-relations/financial-results>. The financial statements in respect of the subsidiaries for FY 2023-24 shall be available at the Company's website at <https://www.hcltech.com/investor-relations/subsidiaries-financials>.

9. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There have been no material changes and commitments, which affect the financial position of the Company, that have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Details of the composition of the Board, appointments / re-appointments during the financial year under review, director retiring by rotation and details of declaration by Independent Directors have been provided in the Corporate Governance Report.

During the year under review, there were no changes in the Key Managerial Personnel of the Company.

11. NUMBER OF MEETINGS OF THE BOARD

During the financial year under review, four meetings of the Board were held. The details of the meetings are provided in the Corporate Governance Report.

12. BOARD COMMITTEES

The Company has the following Board Committees:

- A. Audit Committee
- B. Corporate Social Responsibility Committee
- C. Nomination and Remuneration Committee
- D. Risk Management Committee
- E. Stakeholders' Relationship Committee
- F. ESG & Diversity Equity Inclusion Committee
- G. Finance Committee

Details of the composition of the Committees, their terms of reference, attendance of Directors at meetings of the Committees and other requisite details are provided in the Corporate Governance Report.

13. BOARD EVALUATION

The Annual Performance Evaluation of the Board, its Committees, the Chairperson of the Board and the individual directors was undertaken by the Board / Independent Directors in terms of the provisions of the Act and the Listing Regulations. The evaluation was carried out in terms of the framework and criteria of evaluation as approved by the Nomination and Remuneration Committee of the Company. The process and criteria of evaluation is explained in the Corporate Governance Report.

14. STATUTORY AUDITORS AND STATUTORY AUDIT REPORT

M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No.101248W/W-100022) the Statutory Auditors of the Company, will hold office till the conclusion of the Thirty Second Annual General Meeting of the Company.

The appointment /re-appointment of Statutory Auditors will be placed for approval of the Shareholders in the ensuing Annual General Meeting, as may be recommended by the Audit Committee and the Board.

There are no qualifications, reservations, adverse remarks or disclaimers made by M/s. B S R & Co. LLP, Statutory Auditors in their Report for FY 2023-24. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the financial year under review. The observations made in the Report under Section 143(3) of the Companies Act, 2013 read with Clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 are self-explanatory and do not call for any further comments.

15. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Act, M/s. Chandrasekaran Associates, Practicing Company Secretaries were appointed as the Secretarial Auditors of the Company for FY 2023-24. The report of the Secretarial Auditor is enclosed as **Annexure 1** to this Report. There are no qualifications, reservations, adverse remarks or disclaimer made by the Secretarial Auditor in their report. The Secretarial Auditor has not reported any incident of fraud during the financial year under review.

16. MAINTENANCE OF COST RECORDS

The maintenance of cost records and requirement of cost audit as prescribed by the Central Government under the provisions of Section 148 of the Act are not applicable to the business activities carried out by the Company. Accordingly, such cost accounts and records are not maintained by the Company.

17. ANNUAL RETURN

Pursuant to the provisions of the Sections 92(3) and 134(3) (a) of the Act, the Annual Return of the Company for FY 2023-24 is available on the website of the Company at <https://www.hcltech.com/investor-relations/annual-reports>

18. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Nomination and Remuneration Committee ("NRC") formulates the criteria for determining the qualifications, positive attributes and independence of directors in terms of its charter. While evaluating the suitability of individual Board members, the NRC considers factors such as educational and professional background, general understanding of the Company's business dynamics, professional standing, personal & professional ethics, integrity & values, willingness to devote sufficient time & energy in carrying out their duties and responsibilities effectively.

The NRC also assesses the independence of directors at the time of their appointment / re-appointment as per the criteria prescribed under the provisions of the Act, the rules made thereunder and the Listing Regulations.

The Remuneration Policy for Directors, Key Managerial Personnel and other employees is provided in the Corporate Governance Report.

19. RISK MANAGEMENT POLICY

The Company has developed and implemented a Risk Management Policy that ensures appropriate management of risks in line with its internal systems and culture.

A detailed section on Risk Management is provided in the Management Discussion and Analysis Report.

20. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal financial control systems are commensurate with its size and nature of its operations and such internal financial controls are adequate and are operating effectively. The Company has adopted policies and procedures for ensuring orderly and efficient conduct of the business. These controls have been designed to provide reasonable assurance regarding recording and providing reliable financial and operational information, adherence to the Company's policies, safeguarding of assets from unauthorized use and prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

21. SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

22. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments, as required under Section 186 of the Act and Schedule V of the Listing Regulations, have been disclosed in the financial statements for FY 2023-24.

23. TRANSACTIONS WITH RELATED PARTIES

The particulars of transactions entered into with the related parties referred to in Section 188(1) and applicable rules of the Act, have been given in [Annexure 2](#) to this Report in Form AOC-2. The Company has in place a 'Related Party Transaction Policy', which is available on the website of the Company at <https://www.hcltech.com/corporate/related-party-transaction-policy>.

24. CORPORATE SOCIAL RESPONSIBILITY

The Company contributes progressively to the socio-economic and environmental advancement of the planet with 'Corporate Social Responsibility' ("CSR") at the very core of its existence. To meet its goals, the Company drives its corporate social responsibility agenda through its CSR arm, HCL Foundation, a public charitable trust.

The CSR Committee of the Company is *inter-alia* responsible for formulating, recommending and monitoring the CSR Policy of the Company which contains the approach and direction given by the Board, and, includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.

The composition of the CSR Committee, and other details including a brief outline of the CSR Policy of the Company, the amount that the Company was required to spend in terms of the provisions of the Act, and the amount that was actually spent during the financial year under review are set out in [Annexure -3](#) to this Report in the format as prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The CSR projects, as approved by the Board for FY 2024-25 are available on the website of the Company at <https://www.hcltech.com/investor-relations/corporate-social-responsibility>

25. DIVIDEND DISTRIBUTION POLICY

Your Company's wealth distribution philosophy aims at sharing its prosperity with its shareholders, through a formal earmarking / disbursement of profits to its shareholders. In accordance with Regulation 43A of the Listing Regulations, the Company has formulated and adopted a Dividend Distribution Policy which provides for the circumstances under which the members may / may not expect dividend, the financial parameters, internal and external factors, utilization of retained earnings, etc. The Dividend Distribution Policy is available on the website of the Company at <https://www.hcltech.com/corporate/dividend-distribution-policy>

26. UNCLAIMED DIVIDEND AND TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 124 of the Act, the dividend amounts which have remained unpaid or unclaimed for a period of seven years from the date of transfer to unpaid dividend account have been transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government pursuant to Section 125 of the Act. The

details of the unpaid / unclaimed dividend amount which will be transferred to the IEPF in the subsequent years are given in the Corporate Governance Report. Further, according to the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the shares in respect of which dividend have not been paid or claimed by the members for seven consecutive years or more are also required to be transferred to the demat account created by the IEPF Authority. Accordingly, during the financial year under review, the Company has transferred 15,239 equity shares to the demat account of the IEPF Authority. The details of such shares are available on the website of the Company at <https://www.hcltech.com/investor-relations/iepf>

27. DEPOSITS

The Company neither has any outstanding deposits nor it has accepted any deposits from the public during the financial year under review.

28. PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

There are no proceedings initiated/pending against the Company under the Insolvency and Bankruptcy Code, 2016.

29. VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT

There were no instances of one-time settlement with the Banks or Financial Institutions.

30. CORPORATE GOVERNANCE REPORT

The Corporate Governance Report in terms of Regulation 34(3) of the Listing Regulations, along with the Statutory Auditors' certificate shall form part of the Annual Report for FY 2023-24.

31. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report in terms of Regulation 34(2) of the Listing Regulations shall form part of Annual Report for FY 2023-24.

32. INSIDER TRADING REGULATIONS

Pursuant to the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time), the Company has adopted a Code of Conduct on Prohibition of Insider Trading ("Insider Trading Code") and a Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information ("Fair Disclosure Code"). The Fair Disclosure Code is available on the website of the Company at <https://www.hcltech.com/corporate/fair-disclosure-code>

33. AWARDS AND RECOGNITIONS

Your Company relentlessly pursues excellence and is delighted to receive phenomenal share of recognitions and awards from analysts, governing bodies, academic institutions, partners and even customers. The details of few Awards & Recognitions are provided below:

- HCLTech recognized by Ethisphere as one of the World's Most Ethical Companies 2024.
- Emerged as the fastest-growing IT services brand with a 15.9% YoY growth in brand value among the top 10 IT companies globally, as per the 2024 Brand Finance Global 500 and IT Services Top 25 Report.

- Rated A- by global environment non-profit Carbon Disclosure Project ("CDP") for climate change initiatives.
- HCLTech certified as Top Employer in 26 countries, with No. 1 ranking in 15 countries. Also received regional Top Employer certification in three key geographies of its operations: Top Employer North America 2024 (ranked No. 1), Top Employer Asia Pacific 2024 (ranked No. 1) and Top Employer Europe 2024 (ranked No. 2).
- HCLTech won the National Water Award for significant efforts in holistic water conservation and management in India.
- Included in the S&P Global Sustainability Yearbook 2024 for the second year in a row.
- Highest ranked India-headquartered IT company in the Forbes Best Employers List 2023.
- Ranked seventh globally in the Professional Services category.

A detailed section on Awards & Recognitions received by the Company during the financial year is provided in the Corporate Overview which forms part of the Annual Report for FY 2023-24.

34. SUSTAINABILITY

"Supercharging progress, sustainably and responsibly" conveys the Company's commitment to driving rapid and meaningful long term sustainable growth, while adopting a responsible and mindful approach in an accountable and transparent way. As the Company pursued its commitment, efforts have been made towards ambitious goals, including reaching net-zero emissions by the end of 2040.

The Company's initiatives recognized for consistently demonstrating sustainability are as under:

- 25% reduction in scope 1 and 2 emissions compared to base year 2020.
- 19.02% of renewable energy across global operations.
- The Company has impacted over 6.5 million lives with 54% female beneficiaries through its CSR arm, the HCL Foundation, and helped over 13,500 Persons with Disability.
- Planted over 2.04 million saplings, developed 243 water structures, rejuvenated 150 water bodies and recharged 32 times more water than it uses.
- More than 15,704 hours of training completed by employees at Company's Sustainability School.

Following leading ESG rating agencies have recognized the Company as a leader in consideration of its commitments and progress.

- MSCI ESG assessment conferred "AA" rating to HCLTech for second consecutive year.
- Recognized as Leader (A category) by CDP.
- Included in the S&P Global Sustainability Yearbook 2024.
- EcoVadis rated HCLTech 'Gold' for HCLTech's advanced sustainability performance.

35. ORGANIZATION EFFECTIVENESS

A. Human Resources

In the continuing mission of the Company to expand and enrich its employee-centric culture, HCLTech has long understood this fundamental truth: its people are the key to its progress. Through a culture of innovation and “Ideapreneurship”, the Company empower its people to lead value-driven ideas in an inclusive and flexible work environment.

The people strategy is focused on building the skills and capabilities that the industry needs, attracting and retaining the right talent across the globe, and creating a supportive culture for them to do their best work.

B. Employee Strength and Expansion

The global team of the Company is its biggest strength and enables the Company to deliver differentiated service experience to its clients. The Company has attained an impressive employee strength of 2,27,481 with net addition of 1,537 in FY 2023-24. IT services voluntary attrition rate fell from 19.5% in FY 2022-23 to 12.42% in FY 2023-24. The Company has a nearshore presence in 20 countries, where over 90% employees are locally hired. The Company plans to scale up in these areas in next few years.

With a presence in 60 countries and team members from 160 nationalities, the Company is rapidly growing in longstanding locations like India and, more recently, in Eastern Europe and Central America.

HCLTech has been a part of the United States' growth and technological advancement since the Company commenced operations with its first office in the heart of Silicon Valley. HCLTech localization in US stands at 74.4%.

C. Talent Acquisition

HCLTech takes a hands-on approach to recruiting, seeking to directly engage and hire employees rather than use placement agencies. About 84% of the hiring today is direct, which keeps the Company connected with the talent pool.

Hiring freshers is a big component of the Company's talent strategy. 12,141 freshers were during the FY 2023-24.

HCLTech has doubled entry-level hiring in the last three fiscal years. The Company's- TechBee program seeks to recruit highly talented Class 12 graduates and its career development framework ensures that entry-level hires are adequately trained, provided opportunities to work on new challenges and recognized for their contributions, while also enabling them to pursue higher education. The Company programs to attract and recruit Gen Z talent are a crucial part of Companies' strategy and have given a head start as a leading employer for this generation. Gen Z employees represent 27% the workforce today.

D. Talent Development

The employee value proposition, 'Find your Spark,' is built on four tenets – 1) Providing flexible and diverse career opportunities, 2) Offering enriching job experiences, 3) Creating trusted employment and environment and 4) Embracing employee's whole self with an idea-driven and socially responsible culture.

HCLTech's innovative approaches to training, reskilling and upskilling ensures that its employees are future ready. 1,63,943 employees availed 7.5 million hours of training for enhancing their current skills and learning new skills. 80,780 employees were also trained in digital skills during this period.

Employees can upskill with **Aspire**, a first-ever digital learning platform at HCLTech. Aspire provides digital knowledge to all employees so that they become more aware of what future tech looks like. Employees can choose from Artificial Intelligence, Machine Learning, Cloud, Data Analytics/Automation each course is thoughtfully structured to help them navigate their learning journey.

E. Diversity, Equity and Inclusion (“DE&I”)

HCLTech is committed to building a diverse workforce across multiple dimensions in a verifiable and measurable manner. Gender diversity stands at 29.1% as of March 2024.

HCLTech's Chief Executive Officer & Managing Director ("CEO & Managing Director") has one of the primary functions of managing the Company's DE&I initiatives. To affirm, guide and support the commitment of the Company towards ESG and to drive gender diversity, the Company has in place a Committee of the Board named as ESG & Diversity Equity Inclusion Committee.

The Diversity, Equity and Inclusion Centre of Excellence has established an inspiring and transformational learning program for all employees, Inclusion at Scale, to educate people on various aspects of inclusion via short video modules. Inclusion at Scale training aims to foster an inclusive culture through ongoing education, awareness, and application. It aids in the development of a common language of inclusion across teams and organizations globally.

The Company provides the following learning and development programs for women:

- a) **Feminspiration** – It is a platform where women leaders from the Company's- client company are invited to address HCLTechies.
- b) **iMotivate** – It aims to motivate women HCLTechies by connecting them with the Company's women leader/s via a formal session and enable them to understand how to manage their priorities and develop necessary leadership and networking capabilities to stay successful in their careers.
- c) **Women Connect** – A network of women employees advocating a gender-neutral work environment. This group coaches and counsels aspiring young women professionals, shares experiences on work / life priorities and includes life coach support, day-care in office premises, concierge services, and policies such as extended maternity leave, work from home, flexible careers, flexible work hours and other women related issues.
- d) **ASCEND** – It is an initiative, which focuses on career progression of women leaders in functional roles and help them achieve their aspired roles. The key outline of the program includes Mentoring & Coaching by senior leaders of the Company to program participants.
- e) **STEPPING STONES** – It is a global program which aims to pace up the growth of mid-level women managers in the leadership positions. The program is designed for midlevel managers to fuel their leadership capabilities.

- f) **Prelude** – It is a focused program for E4+ women leaders. The objective is to mentor them for their next level roles to create a ready pool of women leaders for the existing open positions.
- g) **Momtastic** – An initiative launched to help all young mothers and to be mothers to have a smooth transition and ease the dilemmas and decision-making process, when they come back to work post their maternity leave that includes fully paid leaves as per the law of land and 5 days of fully paid leaves for the secondary caregiver. Support is extended to women in three different phases: Pre-natal, pre-conceptual support, support for returning mothers.
- h) HCLTech's Second Career Return Program is an opportunity provided through returnship program – HCLTech's Career Program for Women. Through this program, women from diverse backgrounds are trained and hired for entry level jobs.

allies worldwide. LEARN would host events throughout the year to foster a sense of 'familia' by educating HCLTechies about Latino culture and empower growth and volunteer opportunities in the Latino community.

- **The Asian Network** and their allies would promote professional development and community outreach for the Asian community at HCLTech. Asian Network would hold many events throughout the year to celebrate events like Lunar New Year, Asian American and Pacific Islander Heritage Month, and Autumn Moon Festival.

- e) **Single Parent Network:** It is a voluntary, employee-led group of active single parent HCLTechies who contribute both by improving social and emotional wellbeing for other single parents and their families and being the catalysts to improve inclusion in the workplace.

F. Employee Resource Groups (“ERG”)

- a) **Pride@HCLTech:** It shares unique insights from gay, lesbian, bisexual, transgender, and allied communities, helping to contribute to an inclusive workplace environment that welcomes and values differences. Through increasing LGBTQIA+ awareness and education, Pride@HCLTech, members vision is to make the world a safer place. The goal of LGBTQIA+ Inclusion is to create an environment that is welcoming, safe, and supportive for all employees who identify as lesbian, gay, bisexual, transgender, or queer as well as their allies.
- b) **Ability Connect Network** is a community for those who have a disability, support a colleague with a disability, and any employee who wants to help raise awareness and champion support for impacted individuals.
- c) **Women Connect Network:** The ERG is committed to retain and increase the visibility and contributions of the Company's women and attracting top female talent.
- d) **Multicultural Employee Resource Group (MERG):** Cultural Inclusion at HCLTech is a belief that ensures all individuals are respected irrespective of their backgrounds, cultures, nationalities, their ways of working and their lifestyles. The network provides an employee forum for improvement and enhancement of the professional development of its membership and promotes cultural awareness both within and outside of the Company through education about Indigenous cultures. There are 3 chapters in MERG:
 - **Black Employee Resource Group (BERG)** and their allies would act as a strategic business partner, providing business solutions, promoting the enhancement of HCLTech's black employees. It will enable black employees to reach their full potential through advocacy of an inclusive work environment that would improve their knowledge, skills and capabilities.
 - **Latino Employees and Allies Resource Network (LEARN)** ERG members would be committed to the representation, advancement, and inclusion of Latino employees and their

- G. **Gender Inclusion** As a Company we believe that gender diversity will increasingly be a driving force of competitive businesses, now and into the future. The significance of gender diversity for HCLTech business & growth is evident from the high focus it derives from the Company's stakeholders and the Board. Gender parity and inclusion at all levels of hierarchy is HCLTech's top priority, with a special focus given to increasing the representation of women leaders at key leadership positions.

- H. **Disability Inclusion** It focuses on successful integration of people with disabilities into the workforce by providing them an inclusive and accessible work environment. The Company's inclusion is a business imperative for sustainable growth. The Company believes that every individual brings in unique value and skills to workplace. Thus, the organization's Person with Disability ("PWD") charter was drawn up to focus on successful integration of people with disabilities into the workforce by providing them an inclusive and accessible work environment. The charter emphasizes in fostering PwD inclusion through its 4 tenets of Employ, Enable, Engage and Empower.

36. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Disclosures of particulars as required under Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 to the extent applicable to the Company are set out in [Annexure 4](#) to this Report.

37. DIRECTORS' RESPONSIBILITY STATEMENT

A statement of responsibility of the Directors relating to compliance with the financial accounting and reporting requirements in respect of the financial statements, as specified under Section 134(3)(c) of the Act, is annexed as [Annexure 5](#) to this Report.

38. EMPLOYEE STOCK OPTIONS PLANS

A. HCL Technologies Limited - Restricted Stock Unit Plan 2021 (“RSU Plan 2021”)

The Company has adopted and implemented the RSU Plan 2021 for granting Restricted Stock units (“RSUs”) as per the approvals obtained from the shareholders of the Company on November 28, 2021.

In terms of the RSU Plan 2021, a maximum of 1,11,00,000 (One crore eleven lakhs) RSUs in one or more tranches may be granted, which on exercise would entitle not more than 1,11,00,000 (One crore eleven lakhs) equity shares of ₹2/- each (approximately 0.41% of the paid-up equity share capital as on March 31, 2021), with each such RSU conferring a right to apply for one equity share of the Company against each RSU granted & vested. As on date of this Report, the Company has utilized approx. 94% of total RSUs that were available under the RSU Plan 2021.

The RSU Plan 2021 has been implemented through a trust mechanism by way of secondary acquisition of equity shares of the Company by the Trust for transferring the same on exercise of the vested RSUs. Accordingly, no fresh shares are issued or will be issued by the Company either to the Trust or the RSUs grantees.

The RSU Plan 2021 is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time and there have been no changes in the said plan during the financial year under review.

The details of the RSU Plan 2021 including requirements specified under Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are available on the Company's website at <https://www.hcltech.com/investors/results-reports>.

B. HCL Technologies Limited - Restricted Stock Unit Plan 2024 (RSU Plan 2024)

The Board at its meeting held on April 25-26, 2024, has approved the RSU Plan 2024 for grant of RSUs to the eligible Employees and Directors of the Company and its subsidiaries & associates. The said Plan is proposed to be implemented to continue with the Company's existing Long-Term Incentive ("LTI") Plan wherein part of the LTI is given by way of the RSUs.

The RSU Plan 2024 is in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The adoption and the implementation of the RSU Plan 2024 will be subject to the approval of the shareholders of the Company that would be taken in due course.

A. The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year 2023-24:

S. No.	Name of the Director	Ratio to median remuneration of employees
Executive Director		
1	Mr. C. Vijayakumar, CEO & Managing Director	707.46
Non-Executive Director		
2	Ms. Bhavani Balasubramanian	-
3	Mr. Deepak Kapoor	7.51
4	Mr. S. Madhavan	9.29
5	Dr. Mohan Chellappa	9.85
6	Ms. Nishi Vasudeva	7.51
7	Ms. Robin Ann Abrams	12.16
8	Ms. Roshni Nadar Malhotra	7.98
9	Dr. Sosale Shankara Sastry	9.20
10	Mr. Shikhar Malhotra	6.93
11	Mr. R. Srinivasan	11.19
12	Mr. Simon John England	10.99
13	Mr. Thomas Sieber	11.91
14	Ms. Vanitha Narayanan	11.05

39. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has formulated and published a Whistleblower Policy to provide vigil mechanism for employees, directors and other stakeholders of the Company to report genuine concerns (including reporting of instances of leakage of unpublished price sensitive information) and to ensure strict compliance with ethical and legal standards across the Company. The provisions of this Policy are in line with the provisions of the Section 177(9) of the Act and the Listing Regulations and the said Policy is available on the website of the Company at <https://www.hcltech.com/corporate/whistleblower-policy>. The details of the Whistleblower Policy are provided in the Corporate Governance Report.

40. OBSERVANCE OF THE SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

The Company complies with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

41. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Prevention and Redressal of Sexual Harassment at Workplace Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has constituted an Internal Complaints Committee for the redressal of all sexual harassment complaints. These matters are also being reported to the Audit Committee. The details of the Policy have been stated in the Corporate Governance Report and the complaints and the mechanism to prevent adverse consequences are provided in the Business Responsibility and Sustainability Report.

42. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

Notes:

- i. The remuneration of Non-Executive Directors comprises of sitting fees and commission paid / payable for FY 2023-24.
- ii. Ms. Bhavani Balasubramanian was appointed as a Non-Executive Independent director of the Company w.e.f. January 12, 2024. Hence, information of her remuneration is incomparable and has not been provided.
- iii. Mr. C. Vijayakumar, CEO & Managing Director is based in USA and draws remuneration from HCL America Inc., a wholly owned step-down subsidiary of the Company in USA.
- iv. While calculating the above ratio, the median remuneration of employees has been taken on global basis.

B. The percentage increase / decrease in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year 2023-24:**i. Percentage increase / (decrease) in Remuneration of Non-Executive Directors**

S. No.	Name of the Director	% Increase / (Decrease) in Remuneration in the financial year
1	Ms. Roshni Nadar Malhotra	(9)
2	Ms. Bhavani Balasubramanian	-*
3	Mr. Deepak Kapoor	-
4	Mr. S. Madhavan	-
5	Dr. Mohan Chellappa	(6)
6	Ms. Nishi Vasudeva	-
7	Ms. Robin Ann Abrams	1
8	Dr. Sosale Shankara Sastry	1
9	Mr. Shikhar Malhotra	-
10	Mr. R. Srinivasan	-
11	Mr. Simon John England	8
12	Mr. Thomas Sieber	28
13	Ms. Vanitha Narayanan	17

Note: *Ms. Bhavani Balasubramanian was appointed as a Non-Executive Independent Director during FY 2023-24. Hence, information of her remuneration is incomparable and has not been provided.

ii. Percentage increase / decrease in remuneration of Executive Director and Key Managerial Personnel

S. No.	Name of Key Managerial Personnel	Designation	% Increase / (Decrease) in Remuneration in the financial year after considering the Long Term Incentive ("LTI") payment & perquisite value of RSUs exercised	% Increase / (Decrease) in Remuneration in the financial year without considering the LTI payment & perquisite value of RSUs exercised
1.	Mr. C. Vijayakumar*	CEO & Managing Director	190.74%	(9.20%)
2.	Mr. Prateek Aggarwal	Chief Financial Officer	0.64%	(0.52%)
3.	Mr. Manish Anand	Company Secretary	4.86%	6.68%

Note: *

- i. Mr. C. Vijayakumar was appointed as the Managing Director of the Company w.e.f. July 20, 2021, with the designation as 'CEO & Managing Director'. There has been no change in the overall remuneration of Mr. C. Vijayakumar, as approved by the shareholders, since his appointment.
- ii. During FY 2023-24, he did not receive any remuneration from the Company, however, he received remuneration including cash component of LTI from HCL America Inc., a step-down wholly owned subsidiary of the Company. He received USD 2.36 million as the cash component of the LTI. The perquisite value of the performance based RSUs exercised by him during FY 2023-24 was USD 4.56 million.
- iii. The performance-linked bonus of USD 1.14 million paid in FY 2023-24 was related to performance for the previous financial year FY 2022-23.

C. The percentage increase in the median remuneration of employees in the financial year: 7.07%**D. The number of permanent employees on the rolls of Company:** There were 1,19,035 permanent employees on the rolls of the Company. In addition, the Company had 1,08,446 number of employees on the rolls of its subsidiaries.**E. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** The average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year was

3.37%. The remuneration paid to the CEO & MD is within the limits approved by the shareholders, the percentage change in remuneration have been stated in Para 42 of this report and the details of the remuneration have been provided in the Para 19 of the Corporate Governance Report which shall form part of the Annual Report FY 2023-24.

F. The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

G. **Variable Pay Compensation:** The variable compensation of executive officers, including the CEO and Managing Director, is based on clearly laid out performance criteria and measures. The variable compensation is paid in the form of Annual Performance linked Bonus, Long-Term Incentive (“LTI”) and Restricted Stock Units (based on Performance or Tenure). The parameters for variable compensation include achieving targets related to Revenues, EBIT, Net profit, Free cashflow, Total Shareholder Return, personal KPPs, strategic goals and other metrics such as client satisfaction, ESG, Diversity, etc.

43. STATEMENT OF EMPLOYEES PURSUANT TO RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

In terms of Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a separate exhibit forming part of this report contains the following:

- the list of top ten employees of the Company in terms of the remuneration drawn in FY 2023-24;
- a statement containing the names of the employees employed throughout the financial year and in receipt of remuneration of ₹ 1.02 crores or more per annum; and
- a statement containing the names of the employees employed for part of the year and in receipt of remuneration of ₹ 8.50 lacs or more per month.

This exhibit is available on the website of the Company at <https://www.hcltech.com/investor-relations/annual-reports>. The Annual Report is being sent to the shareholders excluding the aforesaid exhibit. Shareholders interested in obtaining this information may access the same from the Company's website.

44. LARGE CORPORATES

As per Regulation 50B of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, read with Chapter XII of the Master Circular number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 on 'Fund raising by issuance of debt securities by large corporates', as amended (“LC Regulations”), the Company was a Large Corporate (“LC”) as on March 31, 2021, March 31, 2022 and March 31, 2023 as its outstanding long term borrowings were more than ₹ 100 crores on the said dates. Accordingly, in terms of the LC Regulations, for any incremental borrowings made by the Company during FY22, FY23 & FY24, a minimum of 25% of such incremental borrowings were required to be raised through issuance of debt securities, which were to be raised either in the same financial year and / or in the subsequent two financial years.

The details of incremental borrowings made by the Company during FY22, FY23 & FY24 and the obligations to borrow through issuance of debt securities are provided as below:

(₹ in crores)

Particulars	FY22	FY23	FY24
Incremental borrowings made during the financial year (a)	24.95	35.48	6
Mandatory borrowing that was required through issuance of debt securities {25% of (a)}	6.23	8.87	1.50

SEBI vide its circular number SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172 dated October 19, 2023 (“SEBI Circular”) has revised the criteria for considering a listed entity as a LC which now provides that the outstanding long-term borrowings of the companies as on March 31, 2024, should not be less than ₹1,000 crores. As per the said revised criteria, the Company would not fall in the category of LC for FY25.

Further, the SEBI Circular requires that the companies that were identified as LC based on the erstwhile criteria, shall endeavor to comply with the requirement of raising 25% of their incremental borrowings done during FY22, FY23 & FY24, by way of issuance of debt securities till FY ended March 31, 2024. In case the companies have not issued debt securities, a one-time explanation should be provided in the Annual Report.

In this regard, it is hereby clarified that the borrowings done by the Company were mainly on account of the Company's car loan policy to facilitate its employees. From the above table, it will be observed that the amount required to be borrowed by issuance of debt securities is so miniscule that it would not have been feasible to issue debt securities for such small amount. Further, considering the funds & cash flow position of the Company, there was no requirement to borrow during these years except to meet the aforesaid regulatory requirements, for which the Company had approached the Stock Exchanges for a waiver / guidance due to the circumstances as stated above. As the said SEBI Circular requires to the companies to comply or explain, the Company has chosen to explain its position for not issuing the debt securities.

45. ACKNOWLEDGEMENTS

The Board wishes to place on record its appreciation of the significant contributions made by the employees of the Company, its subsidiaries and associate companies. The Company has achieved impressive growth through competence, hard work, solidarity, co-operation and support of employees at all levels. The Board wishes to thank the customers, vendors, other business associates and investors for their continued support in the Company's growth and also wishes to thank the government authorities, banks and other regulatory bodies for their co-operation and assistance extended to the Company.

**For and on behalf of the Board of Directors of
HCL Technologies Limited**

**Roshni Nadar Malhotra
Chairperson
DIN: 02346621**

Place: Noida (U.P.), India
Date: April 26, 2024

Annexure 1 to the Directors' Report

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

To,
The Members
HCL Technologies Limited
806, Siddharth,
96, Nehru Place,
New Delhi 110019

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by HCL Technologies Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 ('Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to the extent applicable;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of convertible Securities) Regulations, 2021; **Not Applicable during the period under review.**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable during the period under review;**
- (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **Not Applicable during the period under review.**
- (vi) The other laws, as informed and certified by the Management of the Company which are specifically applicable to the Company based on the Sectors/ Industry are:
 - (a) The Special Economic Zone Act, 2005;
 - (b) Policy relating to Software Technology Parks of India and its regulations;
 - (c) The Indian Copyright Act, 1957;
 - (d) The Patents Act, 1970;
 - (e) The Trade Marks Act, 1999;
 - (f) The Indian Telegraph Act, 1885;
 - (g) The Indian Wireless Telegraphy Act, 1933;

We have also examined compliance with the applicable clauses/ Regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

For Chandrasekaran Associates
Company Secretaries
Firm Registration No.: P1988DE002500
Peer Review Certificate No.: 4186/2023

Dr. S. Chandrasekaran
Senior Partner
Membership No. F1644
CP No. 715
UDIN: F001644F000219873

Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance except in cases where meetings were convened at a shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no major events have happened, which are deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Date: April 26, 2024

Place: Delhi

Note:

- i. This report is to be read with our letter of even date which is annexed as [Annexure-A](#) and forms an integral part of this report.

Annexure-A

To,
The Members
HCL Technologies Limited
806, Siddharth 96, Nehru Place
New Delhi-110019

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Chandrasekaran Associates
Company Secretaries
Firm Registration No.: P1988DE002500
Peer Review Certificate No.: 4186/2023

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS1644
Certificate of Practice No. 715
UDIN: F001644F000219873

Date: April 26, 2024

Place: Delhi

Annexure 2 to the Directors' Report

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013
and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

During the financial year ended March 31, 2024, HCL Technologies Limited ('HCLTech') has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length.

2. Details of material contracts or arrangement or transactions at arm's length basis

a) Name(s) of the related party and nature of relationship:

During the financial year ended March 31, 2024, the material transactions in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were undertaken with the following step-down wholly owned subsidiaries, being the related parties:

S. No.	Name of the wholly owned step-down subsidiary	Place of Incorporation	Amount of transaction (₹ in crores)
1	HCL Technologies Corporate Services Limited	UK	15,495.31
2	HCL America Inc.	USA	3,454.84
3	HCL Technologies UK Limited	UK	3,042.26
4	HCL Software Products Limited	India	2,120.29
5	HCL Technologies Germany GmbH	Germany	1,497.56

b) Nature of contracts / arrangements / transactions:

Rendering / obtaining of services, product sales and other miscellaneous income.

c) Duration of the contracts / arrangements / transactions:

Ongoing.

d) Salient terms of the contracts or arrangements or transactions including the value, if any:

- HCL Technologies Limited to provide IT / ITES services to the existing and new clients of the above-mentioned step-down wholly owned subsidiaries including various support and general administrative services as may be required from time to time;
- The above-mentioned step-down wholly owned subsidiaries shall respectively provide IT / ITES services including sales and marketing support services to HCL Technologies Limited;
- The respective parties shall diligently perform their respective obligations under the contracts in a timely manner and provide services in accordance with the work order issued by the customer;
- The respective parties shall submit invoices on timely basis for the services provided for each project to each other as per the terms of contract and promptly pay the same;
- The respective parties shall be responsible for all the expenses incurred in connection with providing its services; and
- The parties shall comply with the local, state and federal laws and regulations applicable while providing services.
- The value of the transaction with each of the related parties is given in a) above.

e) Date(s) of approval by the Board, if any:

Not applicable, since the contract was entered into in the ordinary course of business and on arm's length basis.

f) Amount paid as advances, if any:

NIL.

**For and on behalf of the Board of Directors of
HCL Technologies Limited**

Place: Noida (U.P.), India
Date: April 26, 2024

**Roshni Nadar Malhotra
Chairperson
DIN: 02346621**

Annexure 3 to the Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”) ACTIVITIES

1. A brief outline of the Company's CSR policy

The objective of the CSR policy (the “Policy”) of the Company is to lay down the guiding principles for selection, implementation, monitoring, and evaluation of CSR activities as well as formulation of the Annual Action Plan, for ensuring growth and advancement of society and conservation of natural resources. To meet its goals, the Company drives its Corporate Social Responsibility agenda through its CSR arm, HCL Foundation, a Public Charitable Trust registered with the Ministry of Corporate Affairs as required under the Companies Act, 2013 and Rules made thereunder, and also registered under Sections 12A and 80G of the Income Tax Act, 1961.

HCL Foundation has been set up to take up projects and programmes as part of its CSR mandate which are aligned to the Sustainable Development Goals. The CSR activities, projects and programmes undertaken by the Company shall be those as approved by the Board of Directors on the recommendation of the CSR Committee and are covered under the areas set out in Schedule VII of the Companies Act, 2013. All CSR initiatives are inclusive, gender transformative, with special attention to the ultra-poor, people with disabilities and environment conservation.

The key CSR streams are early Childhood Care & Development, Health, Education, Skill Development & Livelihood, Water, Sanitation & Hygiene, Environment, Disaster Risk Reduction & Response and Gender & Inclusion.

2. The composition of the CSR Committee as on March 31, 2024

S. No.	Name of Directors	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Roshni Nadar Malhotra	Chairperson Non-Executive Non-Independent Director	2	2
2	Mr. S. Madhavan	Member Independent Director	2	2
3	Dr. Mohan Chellappa	Member Independent Director	2	2

3. The web-link where Composition of CSR Committee, CSR policy and CSR projects approved by the Board are disclosed on the website of the Company

<https://www.hcltech.com/investor-relations/corporate-social-responsibility>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

During the year under review an independent Impact Assessment was undertaken for three projects, the details of the same are given hereunder.

a) Running of Medical Isolation Centres and Community Awareness Campaign

The surge in COVID19 cases have stressed the health system and identifying the critical need to control the spread, HCL Foundation supported - 'Running of Medical Isolation Centres and Community Awareness Campaign' implemented by Doctors for You ("DFY") across Delhi, Mumbai and Vijayawada. The primary objective of the project was to strengthen health system through infrastructural support (Critical Care Equipment and Isolation and Treatment Centres), training of healthcare staff and community awareness.

With a view to tracing and testing, motivating the community to come up for testing, Mobile Medical Units (“MMUs”) were deployed to provide free testing services. These services were provided to persons of the vulnerable and marginalised sections of the society in Vijayawada and Mumbai. The MMUs staff also interacted with the people on a regular basis to address testing hesitancy among people and provided information on COVID 19 related issues. Community awareness campaigns were conducted with a view to promoting adoption of COVID 19 appropriate behaviour by educating on personal hygiene and cleanliness like washing hands properly, wearing masks, social distancing, self-isolation, etc. and making it a part of daily routine. Hygiene kits were also distributed as part of the campaign.

The impact assessment report shows that over 18,000 patients were treated, 1,662 health care staff was trained, 27,810 community members were screened through MMUs, and a total of 18,252 reached through community awareness campaign. The training of 982 healthcare professionals and 680 hygiene technicians led to an enhanced staff efficiency and smooth facility management and a sense of confidence among healthcare workers to work without fear of COVID 19, ultimately resulting in quality treatment. The project support was extended to include provision of consumables viz. PPE kits, medicines, gloves, masks etc. for not only COVID 19 care centres but later to vaccination centres as well.

b) Installation of Oxygen generation plant at Central India Institute of Medical Science, Nagpur

The project - 'Installation of Oxygen generation plant' at Central India Institute of Medical Science ("CIIMS") Nagpur was envisaged with an aim to provide support in setting up an oxygen plant at CIIMS as per need. The project was taken up during FY 2021-22.

Before the project, the hospital procured oxygen cylinders to provide oxygen to the patients. Lack of availability of funds had been hindering the plans to install oxygen plant.

The installed plant with a capacity to generate 704 litres of oxygen per hour helped in providing oxygen support to all 110 oxygen dependent patients (during the project duration) simultaneously. It was informed that the oxygen plant support helped in better emergency preparedness for the subsequent COVID 19 pandemic wave. The project intervention led to increase in capacity of the hospital to treat and accommodate a greater number of patients and ensured timely medical treatment, providing uninterrupted and reliable supply of oxygen. The patients were able to access good quality and free of cost treatment which was difficult especially for low- and middle-income group people during the times of COVID 19 pandemic. The project intervention was able to provide high-cost intensive treatment to all sections of society thus saving people from financial distress.

As per the data shared by CIIMS, a total of 1,061 beneficiaries were benefited through the oxygen plant during the project period whereas post the project completion, from January 2022 to January 2024, total 50,666 patients have been benefited. The support ensured that no critical care patient was bereft of treatment requiring oxygen support. It was acknowledged that in the absence of the HCL Foundation's support, procedure like providing oxygen to a patient would have been delayed due to long waiting time.

The project benefit has been well extended to the present times and is catering to the needs of the neurological patients who require continuous and prolonged oxygen supply. CIIMS hospital is reportedly under expansion leading to an increase in the number of beds from current 110 to around 140 beds (by September 2024). The project support would also serve the additional oxygen demand. Training provided to the CIIMS staff for the maintenance & operations has led to availability of in-house trained staff for smooth operations of the oxygen plant on day-to-day basis.

c) Health in Emergencies by implementing Agency – Doctors For You

HCL Foundation continued its efforts in the fight against COVID 19 during financial year 2021-22 under 'Health in Emergencies' project which was taken up in continuation to the efforts initiated in the year 2020-21 for fighting the COVID 19 pandemic in the form of the project 'Running of Medical centers and community awareness campaign'. The project was taken up during the financial year 2021-22 and was implemented by Doctors for You ("DFY"). This project was implemented in 9 different locations in India for strengthening the health systems, providing infrastructural support (Oxygen plant, Isolation and Treatment Centres), training of healthcare staff, and support to COVID 19 vaccination program.

The above-mentioned activities that were taken up under the project were able to help people access quality treatment. 61,531 patients got benefitted through the isolation and treatment facilities created under the project. The treatment support was free of cost, irrespective of the socio-economic background of the patient. The support proved to be helpful to people who would not have otherwise been able to afford quality treatment. Also, without such support the situation would have created financial distress for a lot of families during the times when the livelihoods of the people were affected by lockdowns and COVID 19 related restrictions. Similarly, the oxygen plant ensured a continuous and sufficient supply of oxygen to various hospitals and COVID isolation centres.

The government authorities reported that the patients' feedback on the quality of service and treatment provided was satisfactory. The facilities created had 24 x 7 monitoring and supervision facility for all the patients. The PPE kits distributed were of good quality which boosted the confidence of the medical staff in carrying out their duties effectively. There was zero mortality in the COVID isolation Centre and hospitals established and supported under the project. As informed, a total of 7,06,305 people were vaccinated till March 31, 2022 under this project. Under the support to COVID 19 vaccination programme, the project team was continuously engaged in creating awareness among people around COVID 19 vaccine, managing vaccination data, follow-up call for second doses providing the required support to the vaccination process.

The detailed report on impact assessment report carried out by an independent agency are available on the website of the Company at <https://www.hcltech.com/investors/corporate-social-responsibility-hcl>.

(₹/ crores)

5. a) Average net profit of the Company as per Section 135(5)	13,034
b) Two percent of average net profit of the Company as per Section 135(5)	261
c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	NIL
d) Amount required to be set off for the financial year, if any	NIL
e) Total CSR obligation for the financial year [(b)+(c)-(d)]	261

(₹/ crores)

6. a) Amount spent on CSR Projects (both ongoing project and other than ongoing project) 260.16
 b) Amount spent in Administrative Overheads 1.05
 c) Amount spent on Impact Assessment, if applicable NIL
 d) Total amount spent for the financial year [(a)+(b)+(c)] 261.21
 e) CSR amount spent or unspent for the financial year:

Total amount spent for the financial year (in ₹/crores)	Amount unspent (in ₹/crores)				
	Total amount transferred to unspent CSR account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
261.21	NIL				

f) Excess amount for set-off, if any

S. No.	Particulars	Amount (in ₹ / crores)
(i)	Two percent of average net profit of the Company as per Section 135(5)	261.00
(ii)	Total amount spent for the financial year	261.21
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.21
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.21*

*This excess spending is on account of interest earned on CSR Funds during FY 2023-24 and therefore would not be set off in the succeeding financial years.

7. Details of unspent Corporate Social Responsibility amount for the preceding three financial years

S. No.	Preceding Financial Year	Amount transferred to unspent CSR account under Section 135(6) (in ₹)	Balance amount in Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the financial year (in ₹)	Amount transferred to a fund specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
NA								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year

No.

The Company has not directly created or acquired any capital asset through CSR spent during the financial year ended March 31, 2024. All CSR expenditure has been done through the implementing agencies.

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5)

Not applicable.

C. Vijayakumar
 CEO & Managing Director
 DIN: 09244485

Roshni Nadar Malhotra
 Chairperson – CSR Committee
 Chairperson – HCL Technologies Limited
 DIN: 02346621

Place: Noida (U.P.), India
 Date: April 26, 2024

Annexure 4 to the Directors' Report

Particulars pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

A) Conservation of Energy and Water

As a responsible corporate, the Company believes that it has got accountability to the future and an imperative role to play in addressing global challenges, climate change, and environmental sustainability. The Company has made a commitment to conserve the environment by adopting several "Green Initiatives" and being responsible for energy & water management in its area of operations. These initiatives will drive energy & water consumption in an efficient, economical, and environment friendly manner throughout all its premises.

The initiatives and good practices adopted or expanded by the Company towards conservation of energy and water during FY 2023-24 are described below:

1. **Renewable Energy Purchase** - In continuation with its commitment to reduce "carbon footprint, the Company is committed to substitute **80%** of electricity with renewable energy by 2030. The source of renewable energy is wind, solar and hydel based electricity. By transitioning electricity supply to renewable sources globally, the Company has so far transitioned **19.02%** of its energy requirement to renewable sources which is equal to **52,056.41 MWh**. Out of this, **25,565.33 MWh** for its facilities in India which includes **2,513.52 MWh** generated from onsite solar plant installations, and **26,491.08 MWh** for its Geo locations. This has enabled the Company to reduce carbon footprint by **23,198.78 tCO₂e** (Tons of Carbon dioxide equivalent) out of which **21,040.26 tCO₂e** in India and of **2,158.52 tCO₂e** in Geo locations.
2. **High Side: Chiller Operational Performance Improvement** - By implementing the performance improvement programs such as chiller performance measurement and implementing the control measure, cooling tower retrofit and fills replacement, changing the set temperature as per seasonal changes, condenser descaling activities, the Company was able to save **101.40 MWh** of energy that helped to reduce **83.45 tCO₂e** of emissions.
3. **Low Side: HVAC Operational Performance Improvement** - Efficiency improvement measures of Low Side of HVAC

systems implemented in major facilities which involved energy efficient unit installation, defective coils and filters replacement, heat load reduction by room partition & operational control enhancement measures such as AHU timer-based control and temperature set point changes related activities. This has enabled the Company to save **1,364.57 MWh** of energy and has helped to reduce **1,123.04 tCO₂e** of emissions.

4. **Energy efficient Lighting and Control** - The Company extended its initiative to expand use of LED lightings in all the facilities and also adopted operational control enhancement measures such as installation of motion sensors, daylight harvesting feature which resulted in optimum usage of lighting. Energy savings achieved by these initiatives was **2,772.12 MWh** of absolute energy consumption thereby reducing **2,281.45 tCO₂e** emissions.
5. **Effective Utilization of UPS** - Based on the load demand of the UPS systems, capacity of the backup has been optimized by shutting down some of the systems. In addition, activation of passive filters has been taken up. This optimization measure resulted in energy savings of **603.90 MWh** and emission reduction of **497.01 tCO₂e**.
6. **Technology Adoption** - Process improvement in the AHU Control through rectification and revamping of BMS system was implemented. Energy savings achieved by these initiatives was **84.00 MWh** of absolute energy consumption and has helped to reduce **69.13 tCO₂e** emissions.
7. **Water Conservation** - The Company's focus on water conservation was strengthened by reducing the water flow by using of aerator filter for all washbasin taps, introducing sensor-based taps, using STP treated water for flushing, landscaping & other soft water applications, rainwater harvesting, using neem-based liquid enhanced with an anti-scaling agent in the cooling tower and a system with fewer chemicals to water. All this has enabled the Company to conserve **14,794 KL** of water.

HCLTech has reduced Scope-1 & 2 GHG emissions by **25.29%** in absolute terms, with reference to the base year 2019-20 against a target of **20%** reduction.

A summary of above-mentioned operational efficiency related interventions is tabulated as below.

Sr. No.	Intervention Particulars	FY 2023-24 (MWh)	Carbon Footprint Reduction (tCO ₂ e)	Investment (in ₹ Lakhs)
1	Renewable Power Purchase (India)	25,565.33	21,040.26	-
2	Renewable Power Purchase (GEO)	26,491.08	2,158.52	-
	Total	52,056.41	23,198.78	-
Operational Control related Interventions				
3	Chiller Operational Performances Improvement	101.40	83.45	21.56
4	HVAC Operational Performances Improvement	1,364.57	1,123.04	1,377.93
5	Energy Efficient Lighting and Controls	2,772.12	2,281.45	53.89
6	Effective utilization of UPS	603.90	497.01	42.07
7	Technology Adoption	84.00	69.13	2.26
	Sub Total	4,925.98	4,054.08	1,497.71
	Grand Total		27,252.86	

8. Initiatives and Best Practices

a) Transport Sustainability through Electric Vehicles

Basis the pilot study in Hyderabad and Bangalore in FY23, long term contract through EV's in FY24 were implemented. This achieved overall **149.76 tCO₂e** emission reduction compared to diesel operated vehicle.

b) Green Building Certification

Overall, 13.31 million sq. ft. of building space of the Company is certified under different 'Green Building Certification' Programs including US Green Building Council ("USGBC") for Leadership in Energy and Environment Design ("LEED"), Indian Green Building Council ("IGBC"), Building Research Establishment Environmental Assessment Method ("BREEAM") and Comprehensive Assessment System for Built Environment Efficiency ("CASBEE") etc.

95.22% (i.e., 12.67 million sq. ft.) of this green building certified area, is rated with 'Platinum' or equivalent ratings, balance 4.78% is rated with 'Gold' or equivalent ratings.

All HCLTech campuses are LEED 'Platinum' certified by USGBC or IGBC. Chennai, Bangalore, Madurai, and Noida campuses are also certified under ISO 50001: 2018 Energy Management System.

c) Climate Change Disclosure

HCLTech has been disclosing its environmental performance through CDP (formerly the Carbon Disclosure Project) since the Year 2011. CDP recognizes companies with high quality disclosure in its annual scoring process, with top companies making it onto CDP's self-styled 'A' list. A high CDP score is supposed to be indicative of a company's environmental awareness, advanced sustainability governance and leadership commitment to address global challenges like Climate Change etc.

HCLTech has received an 'A-' Score for CDP 2023 Climate Change disclosure which is in the 'Leadership' band. This is higher than the IT & software development sector average of 'C', higher than Asia regional average of 'C' and higher than the Global average of 'C'.

HCLTech commits to reduce absolute Scope 1 and 2 GHG emissions by 50% by 2030 from a 2020 base year. HCLTech also commits to reduce absolute Scope 3 GHG emissions by 42% within the same timeframe.

Quote from CDP Director –

"As the global environmental disclosure system, CDP is dedicated to building the foundations for a thriving and sustainable economy and greatly appreciates the support of HCL Technologies in our efforts to continue driving transparency and corporate environmental action.

The situation is urgent, and the global community must act now to ensure that we limit global warming to 1.5°C. Disclosure is the first key step in addressing current and future environmental risks through standardized, comparable data. HCL Technologies has shown its commitment to transparency around its environmental

impacts and strategies for action by disclosing through CDP in 2023.

Regular disclosure drives climate action and so CDP look forward to HCL Technologies sharing their environmental data for years to come."

d) CDP recognizes HCLTech as 'Supplier Engagement Leader 2023'

To make truly meaningful reductions that are harmful to the environment, businesses must cascade action down the entire supply chain. To appreciate such practices, CDP's annual Supplier Engagement Rating ("SER") program evaluates corporate supply chain engagement on climate issues with the aim to accelerate global action on supply chain emissions.

HCLTech retained its position as a leading company on CDP's 2023 Supplier Engagement Leaderboard, for taking action to measure and reduce climate risk within its supply chain. The Company has received 'A' Score which is in the Leadership band. This is higher than the Global as well as Asia Regional Average of 'C', and higher than the IT & Software Development Sector average of 'C'. Identifying and calculating emissions in all relevant Scope 3 categories is crucial for effective emissions reduction strategies. The Company's Supplier Engagement Rating Trend for last three-years showcases the commitment and engagement level.

Quote from "Director of Supply Chain and Reporter Services, CDP" –

"It is a pleasure to welcome the 450+ companies that have made it onto CDP's 2023 Supplier Engagement Leaderboard. The Leaderboard highlights companies proactively working with their suppliers to ensure climate change action cascades down their supply chains through supplier engagement, governance, Scope 3 emissions accounting and target-setting.

As a Supplier Engagement Leader, HCL Technologies is demonstrating supply chain leadership, a prerequisite for the transition towards a net-zero, nature-positive future."

e) Cool roof with high Solar Reflectance Index ("SRI") coating in building terrace area

The solar reflective coating aims to achieve better heat reduction results. It is a thermal reflective paint and stops excessive solar heat to enter the roof. This paint has been applied to the roofs of three towers resulting in energy savings of **11.74 MWh** and has helped to reduce **9.66 tCO₂e** emissions.

f) End of Life ("EOL") replacements and Retrofits

The Company has performed "End of Life" assessment for critical equipment (HVAC systems, UPS etc.), with an intent to replace / retrofit the inefficient equipment by adopting latest technology in terms of energy efficiency, monitoring, and integration capability. The conventional DX systems have been replaced by PAC unit with investment of **₹ 1,299.20 Lakhs** giving energy savings of **635.34 MWh** and emission reduction of **522.9 tCO₂e**. Through UPS replacement, energy savings of **556.15 MWh** and emission reduction of **457.7 tCO₂e** was achieved with investment of **₹ 448.24 Lakhs**.

B) Technology Absorption, Adaptation, and Innovation

Objective

To deploy AI with intention to empower our employees and the businesses safely and responsibly, with fairness and transparency, allowing HCLTech to align with emerging laws and regulations in the respective jurisdiction(s) and to engender trust.

Approach

The AI solutions being deployed are either brand new Gen AI applications or existing applications that have added Gen AI capabilities.

Our responsible AI practice has established certain guardrails in identification, development, and use of the AI systems in delivering value versus tolerating risks.

The use cases have been selected for their Value proposition and Feasibility considerations in improving employee productivity and user experience and create agility to respond to market disruptions with innovation, diversity, equity, and inclusion.

Overall, sustainability and development are very important considerations.

HCLTech's existing mechanisms for Risk Management and data governance are being extended to include AI, and the processes for handling AI-related business decisions are being refined with participants suitably trained. We ensure humans are always in the loop for accountability and understanding.

The examples of HR focused solutions are Gen AI Copilots to MS Office, MS Teams and developer productivity with plan to scale up to 20K users in FY25 and the custom tools for employee services for ticketing, policy and knowledge library search and retrieval, sentiment analysis, recruiter and candidate assistants that enable users to work smarter, with improved productivity and user experience.

The other examples include AI and natural language support for enterprise analytics, search, Sales CRM assistant, contracts assistant and solutions for customer sentiment analysis.

The corporate functions are envisaging how GenAI can radically transform the future of the Function or area with use-cases such as Pre-contract management Copilot, RFx Responder Copilot, Knowledge Management Copilot and with a pipeline of use cases in areas of HR like Interview Studio, Policy Studio and Mentorship Studio, Finance like Revenue assurance, Tax category derivation, Deal Evaluation, Marketing like Marketing Assets Creation, Marketing Analysis and Digital Presence, ITeS like support chat, Operational Analytics and Customer feedback analysis.

C) Research and Development ("R&D")

I. Specific areas in which R&D was carried out

1. Data Engineering and Artificial Intelligence

The Company's Data Engineering and AI offerings comprises of a comprehensive suite of services and solutions in the domains of software development, testing, technical support, AI Lifecycle Management and modernization of data platforms, providing a strong foundation for digital transformation initiatives and help businesses operate more efficiently, reduce costs, and improve customer satisfaction.

- a) **AI Force for Software Engineering:** A Generative AI offering for engineering lifecycle transformation spanning the entire software development cycle (Requirements planning, software/systems design, software/systems development, Quality Assurance, DevSec Ops, Documentation, Support/Maintenance) that enables enterprises to future-proof and transform their engineering workflows, provide digitally progressive experiences to their workforce, drive efficiencies across software development lifecycle processes, and significantly reduce time to market. By leveraging AI capabilities, organizations can expedite the development process, accelerate iterations, and swiftly deploy high-quality software products, gaining a competitive edge in delivering innovative solutions to market.
- b) **AI Force for Product Support:** Generative AI driven support analytics solution is designed to enhance operational efficiencies for support teams. Whether deployed on-premises or in the cloud, this versatile solution seamlessly integrates with various data sources to provide actionable insights and recommendations to stakeholders across the support spectrum to reduce ticket resolution time, reduce cost of service, and improve CSAT scores.
- c) **Automated Intelligence ON ("AION"):** An AI lifecycle management platform that uses a Low-Code / No-Code approach to accelerate AI / ML model development and deployment to production. AION is also capable of finetuning & testing of private Large Language models on enterprise data.
- d) **TrustifAI:** TrustifAI is our framework for Responsible AI. This is a Service delivery enabler and can help in ensuring Responsible AI components like Fairness, Security, Explainability, Ethics in an AI solution.
- e) **Graviton:** A modern data platform acceleration suite that enables enterprises to efficiently build, deploy, monitor and maintain an agile and cost-efficient modern data platform. Graviton provides a collaboration workspace, centralized control pane, and a suite of intelligent data services to facilitate development and delivery of optimal data products and efficient management of data product lifecycle from development to production.

Key Features & Benefits derived:

- End-to-end consulting services and digital engineering pathways that help define data strategy and develop modernization roadmap.
- Initial customer POCs and Pilots related to Generative AI usage for improving efficiencies across engineering lifecycle and technical support operations in industries such as Fintech, Med devices, Telecom, Retail etc. have shown efficiencies and productivity improvements in the range of 13 -18%.

Future plan of Action:

- To be prepared for this growth, and our responsibility to our customers is to allow them to leverage this trend to improve their business outcomes, create more sustainable revenue flows and achieve all this the right way, keeping AI ethics and responsible AI at the forefront of our work.

2. Metaverse - AR / VR / XR

The metaverse and XR technologies are one of the defining technologies of the next decade. However, there are multiple major challenges that need to be overcome for realizing the potential of Metaverse and XR. Currently the enterprises and Industrial adoption of the technology is higher than the consumer adoption as some of these challenges are better managed at an enterprise scale. At HCLTech we have built strong capabilities across all three layers such as Wearable (Hardware), Metaverse/ XR (Application) and 5G (Infrastructure) and we are regarded as a leader in the space by multiple analysts ([Avasant RadarView](#)). We continue to strengthen our capabilities and maintain our leadership position in the market. Follow below some highlights of the last year,

- Our **XTERN Service Delivery Platform ("SDP")**, is a robust cloud-integrated rapid XR use-case deployment platform. We continue to refine the platform, add more features and position it as a leading platform for Industrial adoption.
- We are developing the Industrial Metaverse platform called '**Meta Twin**', which provides the building blocks in terms of creating virtual world visualization, integration with digital twin platform and other from various data sources, reusable assets to create immersive experience development and features to support use cases like collaborative design reviews, safety & security training and virtual remote operation center."
- We are in the process of developing an '**XR Virtual Co-Pilot**' which is a Gen AI powered Co-Pilot which enables users to extract relevant insights and data from the XR/Metaverse applications in real time.
- We continue to play a key role in development of new wearable hardware for a market leader and we touch more than 50% of the products in the market today. The rationale is based on the services we currently provide to Meta towards their Oculus Quest, Oculus pro, Aria and RayBan Stories range of products. These products occupy 50% of the market share currently in the AR/VR market space.

Key Features & Benefits derived:

- Accelerated XR application and experience development through our SDPs, which reduces development time by more than 50%.
- No-code/low-code authoring tools, plug-ins and accelerators enabling citizen developers to create highly customizable XR experiences for industry specific environments and requirements.
- Accelerated Hardware testing and validation, game testing allowing quicker release of the product in the marketplace.

Future plan of Action:

- Help more customers to move from PoC and Pilot stage to full scale implementation and thereby increase our revenues from XR and Metaverse services.
- Develop marketing strategy to position our SDPs powerfully and increase their visibility to our customers.

- Continue to invest to maintain our leadership position in the industry.

3. Cleantech

HCLTech's Sustaineering portfolio offers end-to-end sustainability solutions and services underpinned by strategic partnerships. Our comprehensive and customized services across the value chain help support our clients right from product ideation and design phase to end-of-life and sustenance.

a) mypcm: Product Carbon Analytics

The mypcm platform is a cloud based digital solution for product carbon footprint ("PCF") and product cost calculations with real time collaboration and reporting, streamlined version control and project specific configurations.

Key Features & Benefits derived:

- Evaluate value chain carbon emissions and identify levers to reduce the product carbon footprint, while ensuring product cost reduction

b) NIO – Net Zero Intelligence Operations

NIO is an IOT based enterprise-wide energy and GHG emission management solution that helps customers minimize energy footprint and achieve net-zero while generating reports in popular ESG reporting standards such as GHG Protocol, GRI etc. NIO's capabilities include integrating with multiple 3rd party software, automating data ingestion from various sources to act as a Data hub and analysing emission data to optimize enterprise energy potential and reduce costs. Measuring energy consumption from asset level to enterprise level and applying optimization analytics on this helps in achieving 7 to 12% reduction in Energy consumption leading to reduction in operational costs.

Key Features & Benefits derived:

- Reduction in energy consumption translates into reduction of Scope 1 & 2 carbon emissions by 7 to 10%.
- Adherence to compliance reporting (GHG, GRI, ISO-50001).

c) Sustainability in 5G:

HCLTech's Sustainability in 5G is an AI/ML based solution that operates and manages the RAN and 5G Core optimally based on the network traffic thereby reduces the energy usage considerably.

HCLTech's Sustainability in 5G solution monitors the network parameters across all the three domains namely Access, Transport and Core. Leveraging the AI/ML algorithms the solution enables dynamic network optimization and energy management. The AI/ML driven predictions and energy saving functionalities to analyze in real-time and dynamically optimize the network resources and improves energy efficiency. Given that the Radio access network is a significant consumer of the network energy, the dynamic RAN optimization features of HCLTech Sustainability in 5G solution offers significant optimization and energy

efficiency improvement for telecom operators. It also monitors the Core and network slice KPI parameters and help to optimize the resource allocation in the telco cloud infrastructure.

4. HCLTech X for Enterprises

HCLTech X is a headless, cloud-native digital experience platform which effortlessly integrates with an existing technology stack, giving customers the freedom to build customized solutions and deliver personalized user experiences. Driven by data led intelligent, actionable insights, it enables brands with ready-to-deploy engagement features like video, social media, notifications, community engagement, loyalty programs, gamification and more. Over and above new customer base, this platform aims at retention of existing customer segments and increase their lifetime value to convert them into brand fans.

With HCLTech X features being industry-agnostic, its quick time to market to customize the user experience journeys as per industry has been a crucial driving factor. Its ability to avoid product lock ins and democratize brands with the choice of future technologies has remarkably spiked the adoption of platform features. This has been catalyzed by seamless integration to customer's existing ecosystem making it easier for customers to incorporate the platform into their workflow. Holistically, being a one stop shop for driving personalized content experiences, contextualized brand offerings and driving monetization at scale, has driven the customers out of siloed technology environments and build operational efficiency.

Key Features & Benefits derived:

- One single platform with ready to deploy engagement features driven through data led insights.
- Low TCO platform yet seamless user experience with cloud native architecture.
- Committed reduction in time to market with pre-built platform component library.
- Composable architecture assuring no product lock-in, hence democratizing technology options for future integrations.
- Secure and scalable platform compliant with geo-specific governance, risk and compliance ("GRC") guidelines.

Future plan of action

- Leverage GenAI based LLM models to enrich DIY content publishing, AI-based content search, and media management for brand marketers.
- Develop and enhance loyalty, rewards and membership features of the platform using Blockchain/NFT based technologies.
- Introduce XR based engagement features to enhance customer experience with on-tap product 360 view

5. Connected Assets in Regulated Environment (HCLTech CARE™) Platform

To develop innovative healthcare solutions quickly, healthcare organizations need pre-built tools and

resources. These include reusable building blocks for software, tools to automate tasks for developers and testers, and support for industry-leading design patterns and best practices. Our multi-tenant and IoT enabled platform with a microservices architecture provides all of this in one place.

- CARE platform accelerates the development of secure, scalable and regulatory compliant applications for medical devices and patient engagement, including those designed for cloud and edge computing environments.
- It empowers its developers to leverage cutting-edge machine learning and AI for comprehensive data management, including both telemetry data from devices and health data from patients.
- It enables medical device OEMs to offer improved remote support by enabling them to monitor, control, and access their devices remotely.

Key Features & Benefits derived:

- Get to market faster and stay ahead of the curve with rapid Medical device connectivity application development. Reduce costs and complexity with cloud, edge, and analytics/Machine learning integration.
- Enable the softwarization of devices to unlock the cloud's computing power and agility, facilitating seamless interaction and transparency between patients, healthcare professionals, service providers and payers, with the help of modern AI and data engineering techniques. It also enables remote patient monitoring.
- Remote monitoring and diagnostics helps to proactively address device issues, minimizing downtime and improving customer satisfaction.

6. Autonomous Vehicle Technology Demonstrator and Simulation

As the need for both driver and vehicle safety pave the way for smarter vehicles, the Company has invested in creating technology solutions for autonomous vehicles, extending to connected car technology to achieve advanced features.

- An internal combustion engine (ICE) vehicle has been retrofitted with the Company's automotive engineering technologies to make it a level 3 autonomous vehicle.
- The typical use-cases demonstrated are lane keep assist, automatic emergency braking, obstacle/pedestrian/traffic sign/free drivable space detections. It also includes predefined path planning using high-precision maps and high-precision GPS.
- The Company has developed and integrated the Driver Monitoring System (DMS) to ensure the safety of the driver, occupants and vehicle.
- Technologies like AI, ML, UWB, V2X and V2I have been integrated for intelligent and dynamic decision making. The vehicle's parameters can be remotely controlled using a mobile app with appropriate pre-authorization.

- Advanced sensor fusion and deep learning algorithms are implemented to ensure that the vehicle functions efficiently in different environmental conditions. Complete drivable scenarios are simulated in our labs before it is integrated and tested in the vehicle.
- Use-cases are benchmarked and compliant to the Automotive EURO-NCAP Regulatory standard.

Key Features & Benefits derived:

- Accelerates the development and deployment of technology solutions for autonomous vehicle development.
- Some of the concepts developed as part of this program position the Company at the forefront of emerging technologies and are leveraged by global customers to accelerate their development and improve time to market of their autonomous driving programs.
- After ASAP's acquisition, HCLTech is able to play a stronger role in ADAS/AD, Electrification, IVI, Exterior Lighting, and Software areas in addition to HCL's existing capabilities with their strong experience in system and vehicle HIL, SIL, Simulation, Virtual Test Automation, testing, electrical harness, verification, and validation services.
- HCLTech along with ASAP are investing in developing advanced solutions for the Software Defined Vehicle, including Connectivity, in-vehicle and Cloud Platform engineering, Data Analytics, Virtualization, Digital Twin, DevOps, CI/CD and OTA.
- HCL ADAS features implemented in autonomous car are ported into a virtual environment on the cloud by ASAP to integrate into a European OEM vehicle to demonstrate the complete SDV ecosystem.
- Dedicated Data Platform for Software-defined Vehicles: HCLTech's Dedicated SDV Data Platform enables automakers to easily store and access the vast amounts of information transmitted by state-of-the-art connected vehicles, including telemetry, image and video feeds and radar and lidar data. Deployable on any cloud or on premises, it lowers the total cost of ownership by utilizing ML-driven compression and archiving algorithms in mission-optimized pipelines. The platform readily integrates AI and GenAI use cases, as well as HCLTech's AI Force suite, to streamline R&D, enrich customer experiences and promote sustainable operations. Native support for ROS2 ecosystems and COVESA VSS with integrated visualizations using Rerun or Foxglove complete the package to provide a scalable solution to tackling the data-related challenges that forward-thinking automakers face.

7. Semiconductor

Complexity of silicon is exponentially growing due to acceleration of technologies like AI, Metaverse, Mobility, 5G driving the need to come up with high performance, low latency semiconductor designs. The Company leverages its Plug and Play RISC-V and ARM platforms to offer Spec-to-Platform solutions and its end-to-end design and manufacturing experience to help global customer to increase their speed of innovation, enabling custom silicon and platform solutions.

HCL has invested \$20+M in creating a 45000+ square feet ATMP (Assembly, Test, Mark and Packaging) facility in Bangalore. This facility has 1K and 10K clean rooms that houses state of art equipment to support complete post silicon validation activities starting from silicon power on, wafer sort & functional testing, bench characterization, manufacturing test, package qualification, reliability testing and failure analysis for engineering & low to medium volumes.

The lab will be fully operational in October. As part of the lab, we are building the following:

- Remote access for customers to remotely run and view the test results for their wafer/chips
- GenAI assisted Post Silicon Validation -- we have a demo script which will read the spec from the Design specifications document, creates a test case, runs in a target environment and report the test result in an automated way.

a) Wide ranging solutions for Automotive applications

The number of Semiconductor chips in a car has gone up multi-fold to provide customer experience in e-cockpit, ADAS, V2X, etc.

- The Company designed multiple silicon solutions to address the emerging needs of the industry
 - o MCUs for Body, Control, Sensor
 - o Radar Controller SoC for ADAS applications
 - o UWB SoC for smart access

b) Infrastructure Silicon for GenAI

- Custom chips developed with hardware accelerators like (Transformers, Variational AutoEncoders (VAEs) and Deep Convolutional GAN (DCGAN) etc.) which phenomenally improves the performance for specific AI models and Hyper-Local AI models with guaranteed low-latency and high performance/watts compared to COTS CPU/GPUs. These chips drive performance required for Gen-AI workloads that handle terabytes of data for better content-and-context aware result generation.
- Extreme compression technology for Deep learning to offer Near Edge AI solutions in IOT & Consumer markets on their existing low MCU devices with 256 Kilo bytes memory.

c) GenAI for Silicon product life cycle development:

- Gen AI assisted Pre and Post Silicon & Platform validation.
- Porting of implementation across foundries and technology nodes.

8. 5G Telecom Solutions

Realizing the transformative potential of digital connectivity, we began investing in 5G as early as 2016.

Today, we create highly differentiated offerings and solutions in Core Network, RAN, etc. and continue to invest significantly in trainings and lab infrastructure for

IP development and provide resources to enhance our clients' 5G portfolio.

a) O-RAN Contribution:

- The Company has been contributing to the O-RAN Software Community (OSC) since the Cherry release in December 2020. We recently completed the G release, contributing significantly to the areas of RIC Platform and RIC Apps.
- The Company has realized the minimum viable product (MVP) by implementing E2E Traffic Steering and Predictive Load Balancing Use case in a closed-loop fashion with E2-based KPIMon and RC xApps having AI-enabled intelligence.
- HCLTech's 5G Open RAN traffic steering software application, xApp, has received the Telecom Infra Project's (TIP) silver badge.

b) 5G System integration Framework (5G SF):

- Given the open, distributed, and disaggregated nature of the 5G network functions, the 5G System integration Framework (5G SF) offers flexibility to mix and match the network functions from various ecosystem players. This multivendor implementation calls for a system integrator to on-board, configure and validate the multivendor network functions in a staging environment and deploy it in the multi-cloud production environment. The Company has developed the 5G SF by leveraging its 5G Network On-boarding and eXchange (5G NOX), 5G Core Network Slice Manager (5G NSM) and 5G Service Assurance and Analytics (5G NSAA). Our 5G SF includes the homegrown CI/CD/CT tools (RAPID and TURBO).
- HCLTech has integrated the partner's next generation firewall solution with Open 5GS core deployed in the P5G lab. Security monitoring in the standard network interfaces like N2, N3,N4 and N6. The logs from partner's next generation firewall is monitored and overall network security assurance dashboard is provided in the NSAA module.

c) 5G Network Monetization Platform ("5G NMP")

- With 5G Stand Alone ("5G SA") deployments picking up globally, the operators are now focusing on new monetization opportunities. HCLTech Network Monetization Platform ("NMP") comprises of Network Abstraction Layer to facilitate enterprise applications/use cases development and launching new services. It leverages the Concepts/Principles being driven by the CAMARA program, where enterprise Application Function ("AF") can interact with multiple 5G cores with the help of APIs exposed by the HCLTech Network Management Platform, and this may help to reduce inter-core complex configuration for some enterprise 5G use cases.

d) 5G Lab as-a-Service:

- The Company has invested in 5G labs in India, Europe and USA. These 5G labs have live

5G network functions from various ecosystem partners and is used as a staging environment to integrate, configure and validate multivendor network functions on multi-cloud environments, enterprise 5G use case development and interoperability testing.

e) Private 5G Network Solutions:

- The Company with its 5G ecosystem partner has developed private 5G network-in-a-box solution for enterprises to adopt 5G for their digital transformation.
- The solution provides the building blocks and best combination of the elements which can be used to construct a standalone private network for hosting wireless network infrastructure, smart services, IoT device connectivity and numerous applications. Our flexible and tailorable private networks solution aims at meeting the enterprises' demand of network connectivity, given their unique objectives and challenges.
- The Company has developed domain-specific 5G use cases like AI/ML based Smart Video Analytics for different scenarios such as Industry 4.0, asset track and trace, location-based services and smart city applications to name a few.

Key Features & Benefits derived:

- Accelerates time taken to deploy and integrate Open 5G network functions in a multi-vendor, multi-cloud environment and validate interoperability.
- Enables network automation and AI/ML-based assurance solutions for network operations. Helps create and manage network slices to offer differentiated services and improve 5G monetization from enterprise customers.
- Enable Telecom operators to provide Network-as-a-Service and launch new services for network monetization.
- New innovative offerings like Location based services, Geo fencing, Quality on Demand, Network slicing, AI/ML based smart video analytics like worker safety, Drone based surveillance helps to enhance customer experience and new revenue streams for the telecom operators.
- We have built multiple IPs in 5G Technologies for load and traffic management and through our active participation in the O-RAN alliance & TIP, we are one of the leading service providers in the 5G technology space.

9. HCLSoftware R&D aims to be at the forefront of innovation, creating solutions that not only address the current challenges but also anticipate the future needs. HCLSoftware harness the collective knowledge and creativity of internal teams and of partners to deliver innovative solutions for customers. With innovation being the core of our DNA, our two flagship programs- HCLSoftware SPARC and HCL Startup SYNC adopted

many initiatives to address customer needs and create impact across the board.

9.1 Software Products Advanced Research Centre ("SPARC")

SPARC serves as the hub of intellectual exploration, fostering collaboration among experts, engineers, and scientists to solve complex technological challenges and create cutting-edge software solutions.

The key focus areas include AutoML, Generative AI, Causal AI, Productivity & Metaverse.

- a) **AutoML:** Our flagship product AION is aimed to ease adoption of ML. We launched Autopilot version of AION. We are also building POCs to enable multiple use cases for Digital India with AION.
- b) **Generative AI:** This remains is at the forefront of our Focus Areas. We have worked collaboratively with BigFix, AppScan, Unica product teams for these POCs. Some examples include Automated RFP responses (Commerce), Taint Propagation (AppScan), Personalized Image generation (Unica).
- c) **Causal AI:** This POC simplifies the process of causal inference on the historic data by using simple English text. Some applications include drop off analytics, customer churn, renewals.
- d) **Productivity:** Our productivity-focused research aims to optimize processes and elevate collaboration. Key launches in this area include:
 - InnerSource for sharing reusable assets across dev teams.
 - Figma to ReactJS conversion for converting UX to code with minimal effort.
 - HawkInspector, an extension to enhance the security posture of GitHub Copilot by proactively identifying and alerting users about files containing sensitive information and personally identifiable data.

Additionally, we are also created a digital marketplace that enables Make in India movement. Currently, it is being piloted with our Geometric product portfolio.

9.2 HCL Startup SYNC

HCL Startup SYNC serves as a dynamic program and platform within our R&D framework, functioning as both an open-innovation hub and a startup accelerator. Its primary role is to amplify the efforts of our internal R&D teams by immersing them in an environment ripe with fresh ideas and cutting-edge technologies from startups. The essence of Startup SYNC lies in its ability to promote the exchange of knowledge and ideas. This cross-pollination enhances the agility and efficiency of our product teams, driving innovation forward at a faster pace.

Additionally, team SYNC conducts thorough research annually to identify and analyze the latest trends in the software industry. This research serves as a valuable resource for our product leaders, managers,

and engineers, enabling them to strategize and plan effectively for the next 12-18 months. The latest 2024 edition focuses on Versatility, Scalability and Agility as the three core pillars determining the success of any software business.

On the IP Side, we work actively in the U.S. and internationally to ensure the enforcement of copyright, trademark, trade secret, and other protections that apply to our software products, services, business plans, and branding. We currently have filed for over 380 U.S. and international patents out of which 258 have been granted.

HCLSoftware recognizes that Open Source is a critical part of building software for the future and involving the larger community in the overall software evolution. We have created around 200+ open source repositories for our products like Domino, AppScan, Commerce, DX, Sametime, Connections, Volt MX, Workload Automation, etc. to benefit our customers, our developers, and the community.

9.3 Core Engineering at HCLSoftware

We develop most of our products and services internally through the following core product engineering groups, highlights for few of them are follows-

a) Cloud Engineering

SoFy (Solution Factory)

HCL SoFy is a cloud-native solution marketplace that enables customers, partners and HCL employees to "Test Drive" HCL Software cloud native products and complimentary HCL Partner products hands-on in a cloud environment.

Key features & Benefits derived

- Easy deployment of cloud-native HCLSoftware to any cloud-native environment.
- Pre-built business scenarios with sample data and apps to simulate real-world use cases.
- Cloud-native repository to access HCLSoftware product containers and Helm charts.
- Easily search for any cloud native HCL product and business solutions.

New Innovations this year

- Online ordering. SoFy has been extended to become HCL Software Marketplace to try, buy. Online ordering has been enabled for AppScan on Cloud.
- Product-specific marketplaces - Domino, DX and LEAP marketplaces are collaborative spaces where users can discover, download, and try out add-ons contributed by community members from HCL, business partners and independent developers.
- Request Quote and Lead management capabilities - customers can request a quote for select HCL products and solutions.

b) Business Application and Industry Cloud

HCL Business Cloud is a simplified BizApps marketplace which provides faster time to market & re-platforming opportunities. It addresses new mid-market requirements and provides functional expansion opportunities. It provides multiple sources of data, integrations, and simplicity at great speed and efficiency, with faster time-to-market & re-platforming opportunities.

New Solution: HCL Commerce Cloud

HCL Commerce Cloud delivers the best of Commerce with the power of the cloud. Our solution offers the richest set of Commerce capabilities for B2B, B2C, B2B2C and D2C all on one proven platform and make easy to consume commerce, so you can sell more, faster.

Key Features & Benefits derived

- Sell More, Faster with An Integrated and Composable Solution.
- Auto Scaling and Peak Event Support means customers only pay for what they need with our 'Pay-as-you-go' predictable pricing model.
- Scalable performance to a 99.9% SLA.

New Solution: HCL Marketing Cloud

HCL Marketing Cloud delivers the best of marketing automation with the power of the cloud. Our solution offers the richest set of end-to-end Marketing capabilities from Planning to Execution, including Analysis of Multi-Channel Marketing Campaigns all on one proven platform.

Key Features & Benefits derived

- Smarter Customer Engagement- Fuelled by AI.
- Simplified Marketing Operations- Reliable, Secure & Flexible.
- Faster Time to Value- Easy-to-Consume, Rapid Adoption & Lower TCO.

New Solution: HCL Aftermarket Cloud

HCL Aftermarket Cloud is a SaaS offering that helps enterprises differentiate through service excellence. With HCL Aftermarket Cloud, one can streamline the service value chain, deliver unmatched aftermarket services, and attain the sustainability goals.

Key Features & Benefits derived

- Simplify the parts buying experience resulting in accurate order fulfilment and improved operational efficiency.
- Streamline field processes and service delivery by providing the required information, tools and spare parts.
- Optimize End-to-End Inhouse Service Management for enhanced service profitability.

- Engineered for Effective Dealer Operations resulting in higher ROI and real time visibility.

c) Hybrid Data Cloud

Customers demand a data platform that is dependable, flexible, and easy to use and can span their data infrastructure across clouds and on-premises. HCLSoftware delivers on that promise with its cloud data platform, which provides data analytics, data integration, data quality, and data management capabilities.

Action Cloud Data Platform

Transform business by simplifying how companies connect, manage, and analyse data.

Key Features & Benefits derived

- Real-time vectorized analytics of relational data with unmatched performance.
- Expansive connector library including support for Salesforce, NetSuite, SAP, AWS, Azure, Google Cloud, etc., as well as support for REST and SOAP based connectivity.
- Self-service data mapping capabilities via a simple user interface to simplify the task of integrating information from all business applications and getting to know your customer.
- Identify and fix data anomalies as you prepare data for corporate AI and ML initiatives.

d) Total Experience (TX) Cloud

The combination of HCL's DXP, Low-code, and no-code capabilities aimed at citizen and professional developers help companies transform digitally such as supplier, dealer, and agent portals, eGov initiatives for citizens, digital workplaces for employees, and smarter worker initiatives for factory, retail, and field service people.

Volt MX

HCL Volt MX is an industry-leading multi-experience low-code app-dev platform for citizen and professional developers to deliver pixel perfect, consumer-grade digital solutions rapidly across all channels ranging from mobiles, tablets, desktop, web, kiosk, smart watches and IoT.

Key Features & Benefits derived

- High fidelity multi experiences on any device.
- True low-to-pro code app dev with no limit's integration and automation.
- Open development and deployment strategies.
- Modernize applications, integrate with data & processes from any system.
- Enable true no-code development to citizen developers with full IT governance.

What's New

- AI-Assisted development named Volt IQ built into the IDE, helps developers with design suggestions, code optimization, application translation and much more.
- Admin dashboard for ease of governing citizen developed applications.

Digital Experience

HCL DX is purpose-built to develop, deliver, and manage business-critical, self-service transactional B2C, B2B, and B2E digital experiences.

Key Features & Benefits derived

- Improve user experience with less code as well as easy integration and automation.
- Cloud-native deployment lowers the Total Cost of Ownership ("TCO").
- Integrates applications, content, and processes to form unique self-service solutions.

What's New:

- Accelerate development with 200+ connectors to popular backend systems, data, and applications.
- Easy deployments with new full cloud service options.

e) Intelligent Operations (IO) Cloud

Transforming and simplifying IT and Business operations by leveraging AI and Cloud.

BigFix

New Solutions: BigFix Workspace: The solution unifies every user endpoint, increases user satisfaction, reduces helpdesk calls, improves security, & helps to consolidate tools and processes.

Key features & Benefits derived

- Automates Endpoint Management for Every User Endpoint.
- New set of C-Suite Security KPIs proving cyber risk reduction.
- Automation to significantly improve end user experience with less IT operations.

New Solutions: BigFix AEX: A conversational AI platform for automating a wide range of industry use cases like resolving issues at user end without service desk interaction.

Key Features & Benefits derived

- Leverages NLP & ML to converse in natural language and learns as you go.

- Wide suite of enterprise app and tools integrations to fulfil most common use cases.

New Solutions: BigFix Runbook AI: BigFix Runbook AI enables continuous optimization and expansion of automation scope by fetching Structured and Unstructured Data, analysing and identifying what to automate, and configuring Runbook for automated ticket resolution.

Key Features & Benefits derived

- Improve the MTTR – Mean Time to Repair – IT task (incidents, service requests etc.)
- Dramatically reduce human errors due to manual execution of activities on a device.
- Minimize IT Cost by empowering admins to accomplish any operation without specific knowledge of the OS or Application.

IntelliOps

This is an AI-first full stack integrated offering aimed at organizations that require an infusion of advanced AI Ops to boost their operations ecosystem for resilient, predictive, and continuously available digital services aligned to core business objectives.

Key Features & Benefits derived

- Enhanced security and compliance using patch compliance reporting & management.
- Cost savings & resource optimization with software asset management and asset discovery.
- Improved system reliability and performance using pro-active server & network monitoring.
- Enhanced data interpretation and knowledge retrieval using GenAI driven text contextualization.
- Enhanced data interpretation and knowledge retrieval with zero shot learning & use of pre-trained models for knowledge retrieval.

iControl

It enables the Enterprise Control Centre, delivers real-time business flow observability, bringing insight to leaders from CXOs down to the level of on-ground operations teams into business-relevant controls by creating meaningful views from both business and technology perspectives. Using Gen AI and Advanced ML it enhances resilience and minimizes the risk.

Key Features & Benefits derived

- Available on Google Marketplace.
- Effortlessly migrate flows and targets across environments

- Better UI/UX with enhanced operational visibility.
- Data-driven decision-making using data model for ad-hoc reporting.
- Streamlined data monitoring with flexible target performance view, amber warnings.

HCL Automation Orchestration - UNO

HCL UNO (Universal Orchestrator) is a hyper automation enabler that offers visibility, business process mapping, End-to-end orchestration, rule engines, and workflow modelling, optimizing productivity for organizations.

Key Features & Benefits derived

- Multi-cloud and hybrid business & IT tasks orchestration (RPA, Data pipelines).
- Serverless orchestration for cloud-native applications.
- AI-assisted automation with Clara, the Virtual assistant.
- Continuous planning, policy-driven, to support fast applications' DevOps cycles.
- Easy administration and self-scaling with microservices and Kubernetes deployment.

Key Features & Benefits derived

- Business resilience in the context of the cloud transformation.
- Compliance of the mission critical processes - auditing ready.
- Streamlined business execution and SLA achievements.
- Mainframe to Cloud modernization with superior Workload Automation and Orchestration.

f) Security and Compliance Cloud-

Enabling observability, remediation and analytics across security and compliance

HCL AppScan

New Solution: AppScan 360°

HCL AppScan 360°, an extension to AppScan portfolio and a cloud-native application security platform built on modern unified architecture and has multiple deployment options(self-managed on-prem, private cloud, public cloud, as-a-service) and consumption models

Key Features & Benefits derived

- Cloud native centralized platform allowing flexible deployment.

- SAST Scanning.
- Readiness for regulated markets.

Investing in the future- Our success is based on our ability to create new and compelling products, services, and experiences for our users, to initiate and embrace disruptive technology trends, to enter new geographic and product markets, and to drive broad adoption of our products and services. We plan to continue to make significant investments in a broad range of product research and development activities, and as appropriate we will coordinate our research and development across operating segments and leverage the results across the company.

II) Expenditure on R&D for the years ended March 31, 2024 and March 31, 2023 are as follows:

(₹ in crores)

Particulars	Financial Year ended	
	March 31, 2024	March 31, 2023
Amount charged to the statement of profit and loss	544	552
R&D expenditure as a percentage of revenues	1.13%	1.19%

D) Foreign Exchange Earnings and Outgo

The Company is an export-oriented unit and majority of its business are from certain clients outside India. During the financial year under review, a substantial portion of the revenue of the Company was derived from the exports.

The foreign exchange earned and spent by the Company during the financial year, on accrual basis, is as follows:

(₹ in crores)

Particulars	Financial Year ended	
	March 31, 2024	March 31, 2023
Foreign exchange earnings	44,927	40,884
Foreign exchange outgo		
- Expenditure in foreign currency	6,559	6,451
- CIF value of imports	42	366
- Dividend remitted in foreign currency	2,210	2,041
	8,811	8,858

**For and on behalf of the Board of Directors of
HCL Technologies Limited**

**Roshni Nadar Malhotra
Chairperson
DIN: 02346621**

Place: Noida (U.P.), India
Date: April 26, 2024

Annexure 5 to the Directors' Report

Directors' Responsibility Statement as required under Section 134(3)(c) of the Companies Act, 2013

- a) The financial statements have been prepared in accordance with the accounting standards issued by the Institute of Chartered Accountants of India and the requirements of the Companies Act, 2013 to the extent applicable to the Company. There have been no material departures from prescribed accounting standards while preparing these financial statements;
- b) The Board of Directors has selected the accounting policies described in the notes to the accounts, which have been consistently applied, except where otherwise stated. The estimates and judgments relating to the financial statements have been made on a prudent basis, in order that the financial statements reflect in a true and fair manner, the state of affairs of the Company as at March 31, 2024 and the profit of the Company for the year ended on that date;
- c) The Board of Directors has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts have been prepared on a going concern basis;
- e) The Board of Directors has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) The Board of Directors has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**For and on behalf of the Board of Directors of
HCL Technologies Limited**

Place: Noida (U.P), India
Date: April 26, 2024

**Roshni Nadar Malhotra
Chairperson
DIN: 02346621**