In a crowded IT services market, HCLTech's banking and financial services solutions shine like a diamond

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HCLTech Financial Services Advisor and Analyst Day, New York City, Aug. 24, 2023 — *HCLTech hosted around 40 industry analysts and advisers, presenting multiple client stories drawn from the financial services sector. The event emphasized the different ways cloud, data, and new and notable technologies like generative AI (GenAI) and sustainability solutions have influenced financial services clients' business decisions. The following includes details from the event and TBR's analysis.*

IT services' 'best-kept secret'

During the event at Hudson Yards, HCLTech leaders and clients discussed the evolution of each presenting company and how the influence of technology has shifted the required approach to develop business strategies that effectively preserve internal operations as well as engage with consumers in less complex methods than previously utilized. To lead the event, HCLTech's Chief Growth Officer and Global Head of Financial Services, Srinivasan Seshadri (Srini), described HCLTech as the industry's "best-kept secret." Despite its less well-known market presence outside financial services, HCLTech has been successful in building its reputation within the financial services industry, establishing relationships with five of 10 main banking institutions. This success is largely owed to the company's ability to see beyond technology buzzwords and identify solutions that effectively and efficiently support clients' technology strategies and end-user experiences.

Further, Srini emphasized HCLTech's willingness to take risks on behalf of its clients in response to the increasing need for outcomes-based engagements. This willingness builds off of HCLTech's acknowledgement of disruptive technologies, which include cloud, digital and AI, and the company's ability to guide client discussions around these investments early, ahead of the disruption. HCLTech's client strategy is backed by its "Supercharging Progress" mindset, which seeks to ensure its clients' needs are met and desired outcomes are achieved regardless of specific contract guidelines. This sentiment was echoed throughout the event with client stories and features. Srini discussed the company's overall shift from infrastructure-led to business-led offerings, which better enabled its

clients to embrace the technology solutions and avoid disruption. With HCLTech backing its technology investments, clients can execute major organizational and operational changes, transforming data strategies and benefiting from cloud and digital adoption.

HCLTech emphasized its cloud-first nature and the increasing shift to industry clouds, through its CloudSMART strategy, which provides enterprises with a complete, high-value cloud consulting and delivery platform. This helped the company expand its partner ecosystem and develop more composable platforms. The focus on cloud has changed the nature of legacy work but aligns well with HCLTech's comprehensive portfolio mix across digital, engineering, cloud, AI and software, which are powering the digital transformation journeys of global enterprises at scale and speed. As the needs emerging out of financial technology (fintech) continue to evolve, HCLTech's strategy positions the company to enable business transformation for clients underpinned by automation and AI tools that generate cost savings that are applied to the overall transformation, setting the foundation for digital and cloud adoption.

Srini also discussed efficiency engineering, which for HCLTech involves allowing clients to reinvest savings into the right transformation projects. Creating cost savings through the adoption of AI and automation services to improve business operations provides the opportunity for clients to transform additional pieces of their business to gather additional insights and develop new touchpoints.

Case studies

During the event, HCLTech featured three separate clients within the banking and financial services space: an American financial services and bank holding company, a large U.S.-based insurer, and a large U.S.-based credit union. Throughout each presentation, the clients discussed the natural collaboration with HCLTech and the ability to work through technical issues to deliver across technology and personnel needs.

Leading American financial services and bank holding company
The first case study was about IT services and infrastructure. The engagement centered on generating efficiency across the company's operations, integrating automation and supercharging processes. The client evolved its business from Modern Ops to Smart Ops to Lean Ops to create and deploy an AI strategy and leverage the right data. The engagement focused on outcomes and operations transformation over the processes, enabling the client to achieve a more efficient operating model through enhanced applications and infrastructure as well as support around managed services.

One of the largest U.S. insurers
The second client discussion was around hybrid cloud modernization and how HCLTech had enabled the infrastructure needed to support the client's customer base and claims volume. Further, the client talked about three key ways in which HCLTech was supporting its cloud transformation. The first was HCLTech's focus on critical technology efforts, including technology modernization, automation and hybrid cloud setup. The second was

helping the client strengthen its customer agent and employee experience and to mature its process. Lastly, HCLTech is preparing the client's culture and infrastructure for future talent. As HCLTech looks to help its clients innovate and avoid succumbing to the disruption from technology, these efforts help enhance culture and efficiency through common goals. HCLTech supported the client in setting goals, moving forward to support both its own clients and employees with automation, optimization, sanitation and innovation.

Case study conclusion
Throughout the case study sessions, the clients echoed the sentiment of partnership and collaboration with HCLTech. Setting common goals and outcomes creates accountability to drive additional value. Further, HCLTech's technology expertise around partners — Microsoft (Nasdaq: MSFT), Amazon Web Services (AWS) (Nasdaq: AMZN) and Google Cloud (Nasdaq: GOOGL) — enables the company to work within its clients' cloud and digital environments. The partnership mentality during its client engagements differentiates HCLTech, as the company creates longer-term relationships that build through different projects and technology adoption.

Digital discussion

The head of HCLTech's Digital Business, Ananth Subramanya, walked attendees through the company's investments and business strategy around digital within the financial services space as well as the influence of disruptive technologies. Starting off his presentation, Ananth indicated roughly half of HCLTech's Financial Services revenue was generated through digital. During FY23, Financial Services revenue was $2.6 billion or 20.7% of HCLTech's total revenue. HCLTech's digital portfolio and offerings combined with its delivery network provide opportunities for the company to generate new clients supported by its financial technology ecosystem.

While consulting is not a primary investment area for HCLTech, the company recognizes the need to lead certain engagements with consulting to guide platform implementation, enabling faster decision making. Ananth noted, "Strategy comes to life on a platform." This is guiding the company's investments in scale as well as its ability to derive insights. The focus on analytics and data strategies aligns closely with clients' business and operational goals, enabling HCLTech to serve as a technology partner and guide their transformation projects.

To support its position and work across clients' different environments, HCLTech maintains its partner ecosystem. Subramanya mentioned HCLTech's key technology partners, including Google Cloud, Microsoft Azure and AWS, all of which the company has dedicated business units for, as well as partners like Pega, Snowflake and Avaloq. As many of its clients work across multiple hyperscaler platforms and different technology providers, HCLTech's relationships across the ecosystem enable the company to bring solutions that best fit with client goals. Bringing together its partners and clients not only

facilitates innovation but also ensures that clients can reduce technical debt and improve operations while leveraging disruptive technologies.

Conclusion

Throughout the event, both partners and clients echoed the idea of partnership and how it was rooted throughout the duration of the engagements and beyond, leading into new project opportunities. With product loyalty dwindling, HCLTech's ability to work across its partner ecosystem and implement and manage associated solutions enables it to provide frictionless experiences for clients and capture new engagements. Additionally, HCLTech's "Supercharging Progress" approach makes the company more accountable to its clients. HCLTech noted during the event that the contract exists if something goes wrong and that clients should want to work with HCLTech by choice, reflecting the strength of its portfolio and ability to align with emerging needs. This sentiment was further supported by the clients present at the event, which discussed their close relationships and ability to overcome business and technical challenges while generating cost savings. Lastly, HCLTech not only acknowledged the buzzwords "GenAI" and "fintech" but also saw beyond the marketing, highlighting the company's efforts to develop services and solutions that enable clients to stay ahead of market trends and strengthen their market positioning by finding ways to control disruptive technologies and the impact on their organizations before the disruption controls them.