

**TO ALL STOCK EXCHANGES**

**BSE LIMITED  
NATIONAL STOCK EXCHANGE OF INDIA LIMITED  
NEW YORK STOCK EXCHANGE**

February 8, 2022

Dear Sir/ Madam,

**Sub: Press Release**

Please find enclosed the press release titled '**Infosys Digital Radar 2022 Finds Technology Adoption Alone No Longer the Key to Unlocking Success and Profits**' for your information and records.

This information will also be hosted on the Company's website, at [www.infosys.com](http://www.infosys.com).

Thanking you,

Yours sincerely,  
For **Infosys Limited**



**A.G.S. Manikantha**  
*Company Secretary*



## PRESS RELEASE

### **Infosys Digital Radar 2022 Finds Technology Adoption Alone No Longer the Key to Unlocking Success and Profits**

*Report finds companies can gain \$357 billion in annual profits globally through people-focused transformation efforts and a commitment to ESG*

**Bengaluru, India – February 8, 2022:** Digital adoption alone is no longer enough to meet business objectives and drive profits, according to new research from Infosys Knowledge Institute (IKI), the thought leadership and research arm of [Infosys](#) (NSE, BSE, NYSE: INFY). The study reveals that companies must now use digital to differentiate beyond traditional IT metrics, reaffirming the importance of people-focused transformation and ESG in achieving business success. While businesses once faced a 'digital ceiling', unable to reach the most advanced levels of tech adoption, these adoption thresholds have become the minimum standard.

**Infosys Digital Radar 2022** assessed the digital transformation efforts of companies on a Digital Maturity Index and found that companies have progressively adopted technology year-over-year. The report, which surveyed nearly 2,700 digital transformation leaders from the U.S., Europe, Asia and Australia, ranked the most digitally advanced companies as 'Visionaries', followed by 'Explorers' and then 'Watchers'. From 2018 to 2020, a meaningful portion of businesses lagged far behind, watching the technology journeys of others before starting their own. This year's findings, however, show that all respondents have graduated from the 'Watchers' category and are now all either 'Visionaries' or 'Explorers'. Infosys has found that each industry has reached an age of digital maturity never seen before. The percentage of companies achieving moderate transformation success, the 'Explorer' tier, rose minimally. However, the 'Visionary' cluster grew from 22% in 2020 to 30% in 2021, the largest year-over-year increase for this cohort in the survey's history, indicating that companies have broken through the 'digital ceiling' and being a top adopter is no longer an operational or financial differentiator.

#### **Companies across all industries have rushed to broadly implement technology**

Companies are significantly increasing adoption of emerging technologies. More respondents reported implementing artificial intelligence (AI) and blockchain (73% and 71%, respectively) than mature and foundational cloud and legacy modernization (69% and 68%, respectively), suggesting that once emerging technologies (like AI) now show real promise, and enterprises are moving quickly and aggressively to implement them than in earlier times.

More than 90% of companies indicated they had at least started to adopt the 19 digital initiatives surveyed. Technology adoption in the healthcare industry, for example, increased from 60% to 98% since 2019. The



adoption rate for the manufacturing sector increased from 81% to 97%, and the rate for the financial services sector grew from 59% to 94% in the same period.

As adoption rates soared during the pandemic, the study also indicated a point of diminishing returns for companies with high levels of adoption. Companies with above-average adoption rates, in fact, generated slightly less profit growth than those with lower adoption, while those with average rates generated the most. The study data suggests that mere adoption is not enough, what matters most is the effectiveness with which companies use their technology.

Previous surveys found adopting Agile, cloud, and other technologies led to better operational and financial benefits, but that was no longer the case in 2021, as more companies approached digital maturity. Further, the survey found companies are more effective when they use digital to positively impact stakeholders, including through environmental and social responsibility and initiatives like career paths for women and minorities, data privacy, and AI ethics.

**Salil Parekh, CEO, Infosys**, commented: “Enterprises are at an inflection point post-pandemic. COVID-19’s widespread disruption and the subsequent digital acceleration have permanently altered how the world views technology. While some enterprises have seen this as an opportunity to move beyond the questions of whether and how far to digitize, some still haven’t realized the need to use these digital tools to engage their stakeholders more purposefully and respond to calls to serve people, planet, and community.”

### **ESG provides direction, clarity — and profits**

When companies have high levels of tech adoption and strong ESG commitment, four out of five times (81%), they also use technology most effectively. ESG and technology effectiveness are connected because ESG informs company culture, shapes mindset, and provides a purpose that guides decision-making up and down the line. Improving ESG leads to higher effectiveness than simply adopting more technology. While adoption is necessary and positive, ESG focus further doubled tech effectiveness, indicating that ESG commitment now drives value in its own right.

“Focused initiatives in sustainability almost unfailingly reflect in a marked increase in revenue growth, accelerated transformation effectiveness, boosts in profits and shareholder value. ESG measures will increasingly grow to influence and eventually change the metrics that measure transformation success, especially when consistently demonstrated through engagements with stakeholders across the board,” said **R “Ray” Wang, Principal Analyst & Founder, Constellation Research.**



As the world demands more sustainable business practices, this research signals that companies who capitalize on the link between tech effectiveness and ESG are best placed to succeed in the decade ahead. They are more likely to realize business value and proactively anticipate regulatory requirements and societal pressures.

### **Unify ESG with digital transformation**

Improving **average** transformation effectiveness has the potential to unlock \$357 billion in incremental profits globally, based on data from the top survey respondents. While digital adoption and ESG orientation individually drive profits, they are more effective together. The research identified four approaches to amplify purpose and increase transformation effectiveness:

1. **Integrate experience into the operating model.** Digital Radar 2022 found that people-focused experience goals such as improved customer engagement, building a data-driven culture and increasing employee engagement are distinguishing top performers than tech-driven efficiency.
2. **Elevate the human element across the life cycle.** Companies can emphasize the human element by utilizing Agile to coordinate small behavioral nudges and include a diverse ecosystem to better manage project delivery. Companies that rapidly implemented Agile, and in more than half (60%) their teams, were more likely to grow faster than peers (64% vs. 54% average).
3. **Build diverse, dedicated teams so that tech solutions meet the needs of all.** Purpose-driven culture is created through teams that are intellectually diverse and have a shared, dedicated purpose. Digital Radar 2022 concluded companies with greater diversity use technology more effectively.
4. **Measure initiatives using ESG target.** Human-centered approach to solutions and ESG are becoming more quantitative and metrics-driven. Companies today can chase loftier goals practically, armed with technologies to help them set and meet important climate and people goals.

**Jeff Kavanaugh, VP and Global Head at [Infosys Knowledge Institute](#)**, commented: “This year’s Digital Radar research revealed a significant shift – no longer are enterprises sitting, waiting, and watching from the outside as others embrace digital. The most successful businesses are no longer early digital adopters, nor those that invested the most in AI, blockchain, and IoT. Those most successful firms now see value in the relationship between digital technologies and the people they serve. The companies best prepared to enter the post-pandemic era have already realized that technology itself isn’t a differentiator, but a commitment to people and purpose.”

For a full copy of the Infosys Digital Radar 2022, please visit: <https://www.infosys.com/navigate-your-next/research/digital-radar-report.html>



## **Note to Editor:**

### **Methodology**

In the latter half of 2021, Infosys used a blind format to conduct an online survey that attracted responses from nearly 2,700 CXO, senior-level, and mid-level respondents from companies with revenues upwards of US\$1 Billion. Respondents represented multiple industries and hailed from Australia, China, France, Germany, India, New Zealand, U.K., and the U.S. To gain additional qualitative insights, phone interviews were also conducted with a few practitioners and subject matter experts.

### **About Infosys**

Infosys is a global leader in next-generation digital services and consulting. We enable clients in more than 50 countries to navigate their digital transformation. With over four decades of experience in managing the systems and workings of global enterprises, we expertly steer our clients through their digital journey. We do it by enabling the enterprise with an AI-powered core that helps prioritize the execution of change. We also empower the business with agile digital at scale to deliver unprecedented levels of performance and customer delight. Our always-on learning agenda drives their continuous improvement through building and transferring digital skills, expertise, and ideas from our innovation ecosystem.

Visit [www.infosys.com](http://www.infosys.com) to see how Infosys (NSE, BSE, NYSE: INFY) can help your enterprise navigate your next.

### **Safe Harbor**

Certain statements in this release concerning our future growth prospects, financial expectations and plans for navigating the COVID-19 impact on our employees, clients and stakeholders are forward-looking statements intended to qualify for the 'safe harbor' under the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding COVID-19 and the effects of government and other measures seeking to contain its spread, risks related to an economic downturn or recession in India, the United States and other countries around the world, changes in political, business, and economic conditions, fluctuations in earnings, fluctuations in foreign exchange rates, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, industry segment concentration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks or system failures, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Infosys has made strategic investments, withdrawal or expiration of governmental fiscal incentives, political instability and regional conflicts, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry and the outcome of pending litigation and government investigation. Additional risks that could affect our future operating results are more fully described in our United States Securities and Exchange Commission filings including our Annual Report on Form 20-F for the fiscal year ended March 31, 2021. These filings are available at [www.sec.gov](http://www.sec.gov). Infosys may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Securities and Exchange Commission and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company unless it is required by law.

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