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National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex
Mumbai
Symbol: TCS

BSE Limited
P.J. Towers, Dalal Street
Mumbai 400001
Scrip Code No. 532540 (BSE)

Dear Sirs,

We are sending herewith copy of the Press Release titled "**Two Thirds of UK Firms Unable to Fill Digital Positions: CBI & TCS Study"** which will be disseminated shortly.

The Press release is self-explanatory.

Thanking you,

Yours faithfully,
For **Tata Consultancy Services Limited**

Rajendra Moholkar
Company Secretary

TATA CONSULTANCY SERVICES

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Two Thirds of UK Firms Unable to Fill Digital Positions: CBI & TCS Study

The Confederation of British Industry and Tata Consultancy Services Study Shows UK Companies Expect Digital Skills Needs to Skyrocket in Next Three Years, and Less than a Third are Confident of Being Able to Meet those Needs

LONDON, June 4, 2019: Tata Consultancy Services (TCS), (BSE: 532540, NSE: TCS), a leading global IT services, consulting and business solutions organisation, and The Confederation of British Industry (CBI) published a new research study that highlighted the UK's rapidly accelerating digital talent gap.

The study titled *Delivering Skills for the New Economy* surveyed 250 companies. The report highlights the UK's rapidly accelerating digital talent gap as new technologies transform the way we live and work. Currently, the UK is losing out on £63 billion[1] a year as companies struggle to find people with digital skills. This could jeopardise the UK's competitiveness, deter investment and limit people's ability to make the most of the opportunity technology brings.

According to the report, over two thirds (67%) of companies across the UK have unfilled digital vacancies. One in five firms is unable to find employees with basic computer skills – including writing documents and using spreadsheets. Advanced digital skills are in greater demand in all sectors, with 55% of larger firms reporting challenges in recruiting software engineers and 61% struggling to hire data analysts.

The majority of companies surveyed are taking action to tackle their digital skills shortages, with 56% of businesses confident they are spending enough on addressing their digital skills needs right now. But in reality, almost half of businesses (46%) are fishing in the same pool, by trying to hire outside of their organisation as the main way to access the digital skills they need.

Around 60% of larger firms surveyed said their digital skills needs are set to skyrocket over the next three to five years, but less than a third (31%) are confident that the UK business community will be able to access the digital skills they need in the next three to five years.

"In today's digital economy, there are two key focuses for sustainable talent development: encouraging students to understand what it takes to pursue a successful career in technology, and giving employees the best possible training opportunities," said **Shankar Narayanan, VP and Country Head, TCS UK & Ireland.** *"TCS is focused on developing STEM skills in communities all around the UK. Our skills programmes like Digital Explorers, which help children connect day-to-day interactions with consumer technology to the IT tools and skills which power them, are helping to grow the UK's digital talent pool. This new research with the CBI makes it clear that for the UK economy to remain competitive, it's important to urgently invest in reskilling the current workforce and inspiring the next generation to pursue careers in technology."*

[1] House of Commons Science and Technology Committee Report, Digital Skills Crisis, 2016

CBI recommendations include:

1. **Government must set an ambitious target** for the entire UK workforce to have basic digital skills by 2025 and work with businesses to engage with relevant academic and technical education institutions
2. **Businesses must better understand their digital skills needs and coordinate** with local policymakers, businesses and learning providers to create local skills provision that address their skills demands
3. **Ensure digital skills are at the heart of the National Retraining Scheme**, including targeted support for software engineering and data analysis skills.

"Technology is changing the way we live and work, creating millions of jobs and adding £184 billion to the UK economy. Yet this new data reveals the majority of firms are struggling to fill digital roles across all sectors and skills levels – with demand set to skyrocket in the next few years," said **Matthew Fell, Chief UK Policy Director, CBI.** *"Digital skills are absolutely fundamental to getting people ready for the future of work and helping companies make the most of the opportunities technology brings. It's essential we tackle the UK's digital skills crunch now to remain internationally competitive and promote the UK as the number one place for businesses to invest. Ensuring people have basic digital skills will transform lives, open up job opportunities and help people across society access public services online. It's important that no-one is left behind as our workplaces change and that everyone has the skills to benefit from the new economy."*

Firms must collaborate further with schools and universities

The majority of firms surveyed are investing more in training on digital technologies (75%). Around a third of businesses are taking on apprentices (31%), organising external short courses (30%) and a similar number are collaborating or partnering with small businesses, suppliers or contractors (33%) to bring in the skills they need through on the job training or placements.

Still, only a quarter (25%) of firms are engaging with education providers to develop courses that suit their needs. With many businesses seeing significant value in better coordinating local demand and supply, government must do more to support these initiatives.

"Firms are sounding the alarm in their struggle for digital skills and the uncertainty that brings. With companies fishing in the same pool for talent, there's a clear need for businesses to diversify their hiring strategies and look for innovative ways to help their people improve their digital skills," said **Matthew Fell, Chief UK Policy Director, CBI.** *"It's encouraging to see businesses investing in training and engaging with schools. But that alone won't be enough. Maintaining the UK's competitiveness in the years ahead is the crucial challenge and one where we must succeed. This begins by firms making a concerted effort to upskill and retrain the current workforce and future generations to come."*

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[1] House of Commons Science and Technology Committee Report, Digital Skills Crisis, 2016

About Tata Consultancy Services Ltd. (TCS)

Tata Consultancy Services is an IT services, consulting and business solutions organization that has been partnering with many of the world's largest businesses in their transformation journeys for the last fifty years. TCS offers a consulting-led, cognitive powered, integrated portfolio of business, technology and engineering services and solutions. This is delivered through its unique Location Independent Agile delivery model, recognized as a benchmark of excellence in software development.

A part of the Tata group, India's largest multinational business group, TCS has over 424,000 of the world's best-trained consultants in 46 countries. The company generated consolidated revenues of US $20.9 billion in the fiscal year ended March 31, 2019, and is listed on the BSE (formerly Bombay Stock Exchange) and the NSE (National Stock Exchange) in India. TCS' proactive stance on climate change and award winning work with communities across the world have earned it a place in leading sustainability indices such as the Dow Jones Sustainability Index (DJSI), MSCI Global Sustainability Index and the FTSE4Good Emerging Index. For more information, visit us at www.tcs.com. To stay up-to-date on TCS global news, follow @TCS_News.

About the CBI:
Across the UK, the CBI speaks on behalf of 190,000 businesses of all sizes and sectors. The CBI's corporate members together employ nearly 7 million people, about one third of private sector-employees. With offices in the UK as well as representation in Brussels, Washington, Beijing and Delhi, the CBI communicates the British business voice around the world. CBI Press Office is available 24 hours a day on 0207 395 8239, or email: press.office@cbi.org.uk. Follow the CBI (@CBItweets) and CBI Economics (@CBI_Economics) on Twitter.

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[1] House of Commons Science and Technology Committee Report, Digital Skills Crisis, 2016