



Topic: Everest Group's PEAK Matrix™ for Capital Markets AO Service Providers

Focus on Infosys
August 2015



Background and scope of the research

Background of the research

Capital markets industry is grappling with high regulatory pressures, intense competition, and an uncertain economy. Market participants are adopting disruptive business models to contain cost and improve profitability. As the financial services industry undergoes a technology revolution through adoption of digital technologies, capital markets players are investing in next-generation technologies to stay ahead of competition. Buy-side and sell-side participants, as well as financial intermediaries are investing in risk & compliance management solutions, automation, cloud & open-source technologies, mobility, high-end analytics, and third-party platforms as they focus on cost reduction, standardization, and portfolio rationalization.

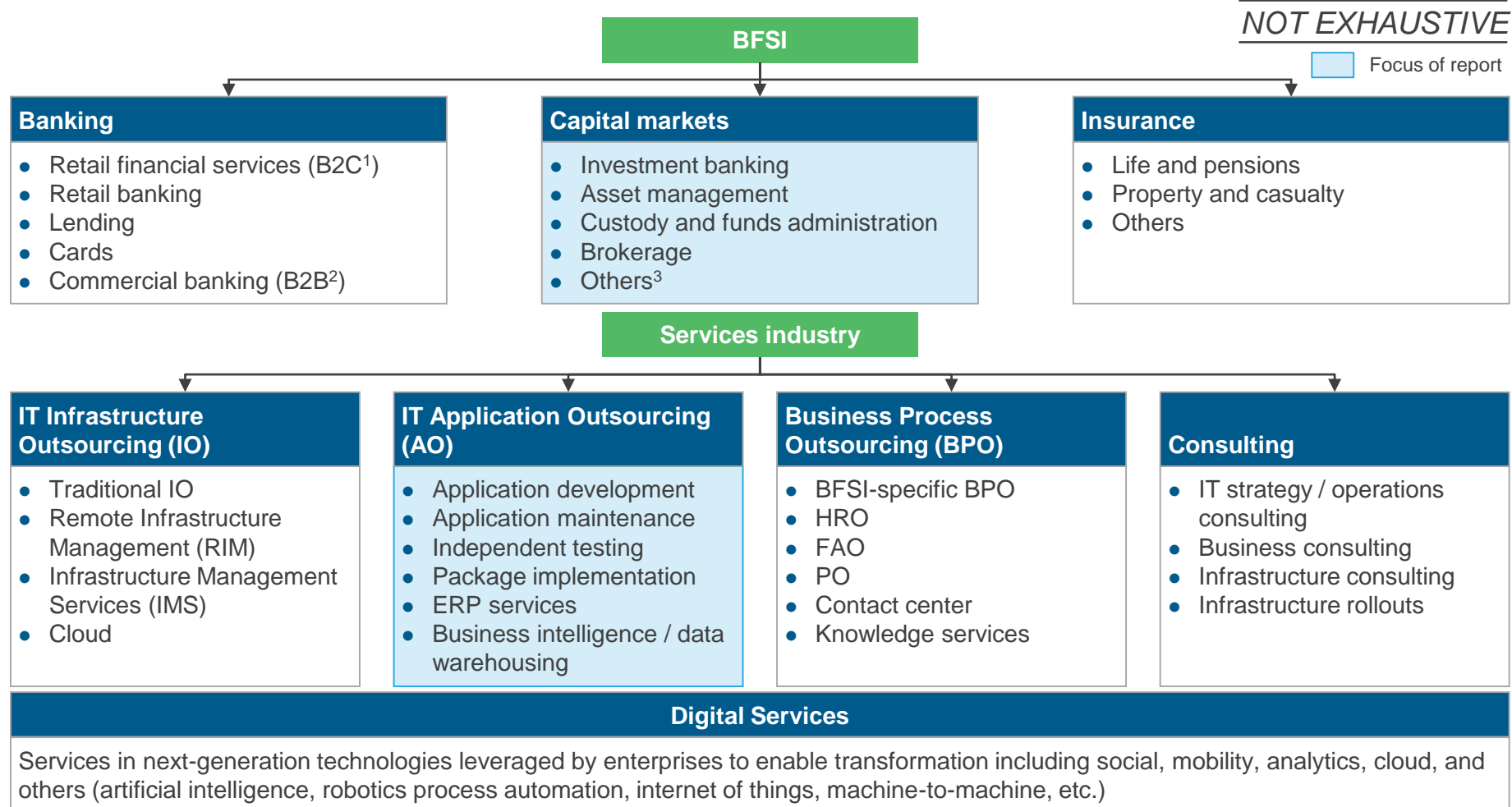
With the capital markets industry witnessing a number of changes, IT service providers are looking to capitalize on the opportunity by tailoring their offerings with next-generation technologies, providing commoditized services, collaborating with buyers to invest in innovation, and forming alliances with leading platform providers.

In this research, we analyze the capabilities of 24 leading AO service providers, specific to the global capital markets sector. These providers were mapped on the Everest Group [Performance | Experience | Ability | Knowledge \(PEAK\) Matrix](#), which is a composite index of a range of distinct metrics related to each provider's capability and market success. . Additionally, Everest Group has also profiled the capabilities of these 24 service providers in detail including a comprehensive picture of their service suite, scale of operations, domain investments, delivery locations, and buyer satisfaction specific to capital markets AO services

This document focuses on Infosys' capital markets AO experience and includes:

- Overview of the capital markets AO service provider landscape
- Everest Group's assessment of Infosys' delivery capability and market success on PEAK matrix
- Detailed capital markets AO profile for Infosys

This Everest Group report is a compendium of detailed profiles of 24 service providers featured on Everest Group's capital markets AO PEAK Matrix



¹ Business-to-consumer relationships

² Business-to-business relationships

³ Includes other capital markets functions such as structured finance, treasury, FX, and horizontal functions including risk management

Everest Group's BFSI research is based on two key sources of proprietary information

1

- Everest Group's proprietary database of 500+ large, active, multi-year AO contracts within BFSI (updated annually through primary data collection via service provider RFIs)¹
- The database tracks the following elements of each large AO relationship:
 - Buyer details including industry, size, and signing region
 - Contract details including TCV, ACV, term, start date, service provider FTEs, and pricing structure
 - Activity broken down separately for banking, capital markets, insurance, and by line of business (for example, investment banking, asset management, custody, fund administration, and brokerage)
 - Scope includes coverage of buyer geography as well as functional activities
 - Global sourcing including delivery locations and level of offshoring

2

- Everest Group's proprietary database of **operational capability of 20+ BFSI AO service providers** (updated annually through primary data collection via service provider RFIs)
- The database tracks the following capability elements for each service provider:
 - Major BFSI AO clients and recent wins
 - Overall revenue, total employees, and BFSI employees
 - Recent BFSI-related developments
 - BFSI AO delivery locations
 - BFSI AO service suite
 - Domain capabilities, proprietary solutions, and intellectual property investments

Service providers covered in the analysis¹



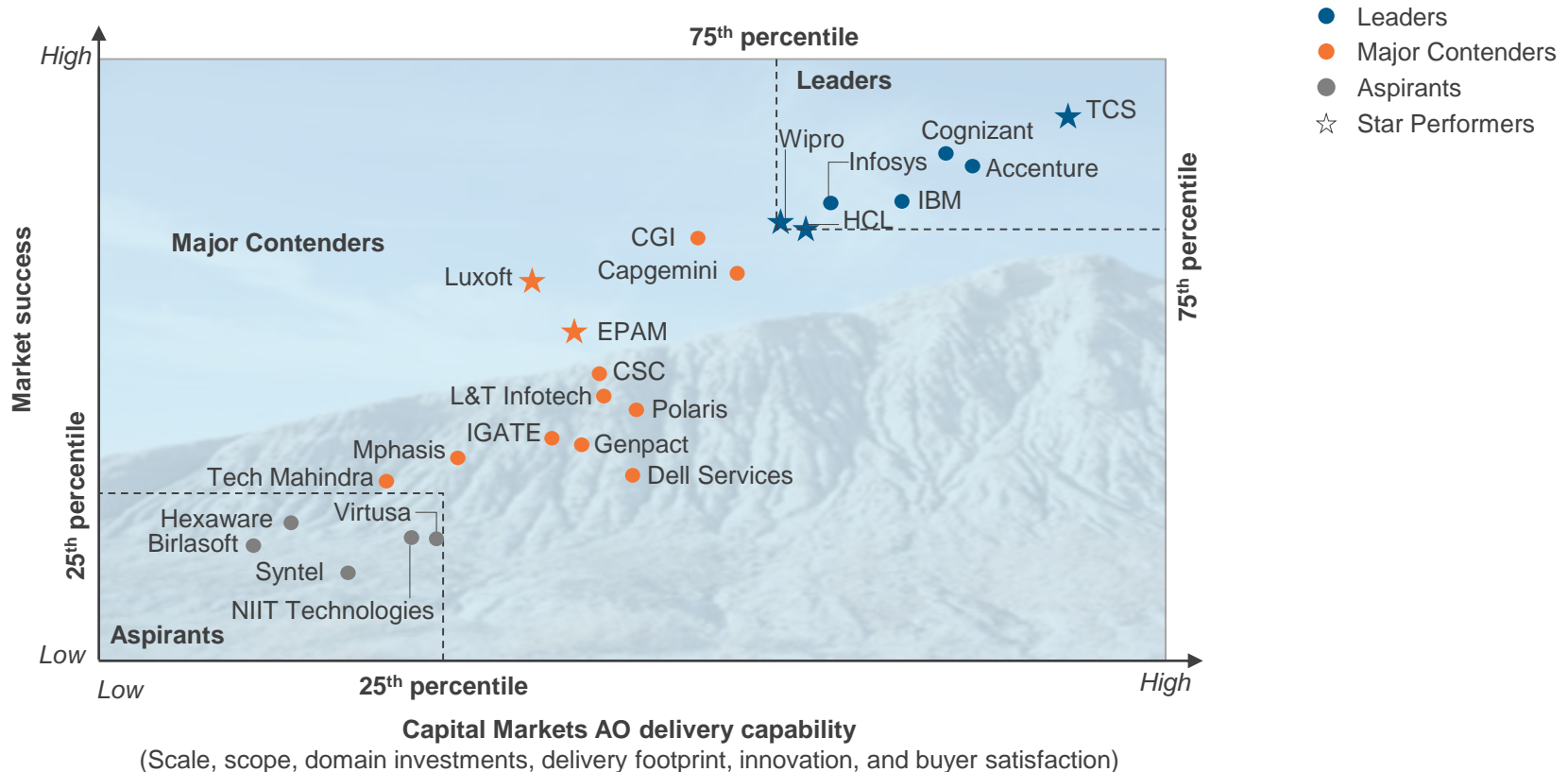
1 Assessment for Accenture, Capgemini, CSC, Hexaware, IBM, and Mphasis excludes service provider inputs, and is based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with capital markets buyers

Note: We continuously monitor market developments and track additional service providers beyond those included in the analysis

Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any information, that is contract-specific, will be presented back to the industry only in an aggregated fashion

Infosys is positioned as a Leader on Everest Group PEAK Matrix for capital markets AO - 2015

Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix for large capital markets AO relationships¹



¹ PEAK Matrix specific to large (>US\$25 million TCv), multi-year (>3 years) application outsourcing relationships for the capital markets sector (Investment banking, asset management, custody, fund administration, and brokerage); excludes banking and insurance

Note: Assessment for Accenture, Capgemini, CSC, Hexaware, IBM, and Mphasis excludes service provider inputs and is based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with capital markets buyers

Source: Everest Group (2015)

Infosys | Capital markets ITO profile (page 1 of 10)

Corporate and BFSI overview

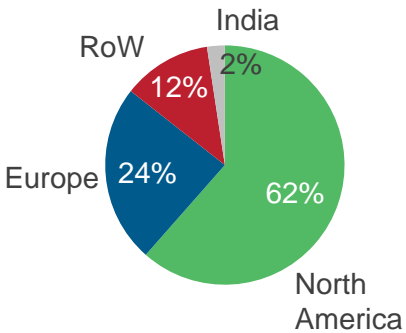
Company description: Infosys delivers IT-enabled business solutions for clients globally. The company's offerings span business and technology consulting, application services, systems integration, product engineering, custom software development, maintenance, reengineering, independent testing and validation services, IT infrastructure services, and BPO. Infosys has a global footprint with 73 sales offices and 94 development centers

Headquarters: Bangalore, India

Website: www.infosys.com

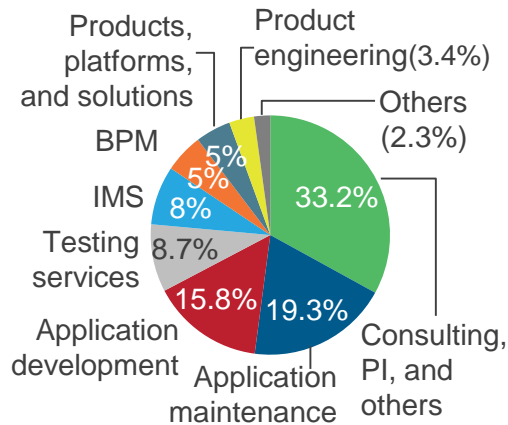
Geographical mix
FY 2015; US\$ million

100% = 8,711¹



Service mix
FY 2015; US\$ million

100% = 8,711¹



>US\$500 million US\$100-500 million <US\$100 million

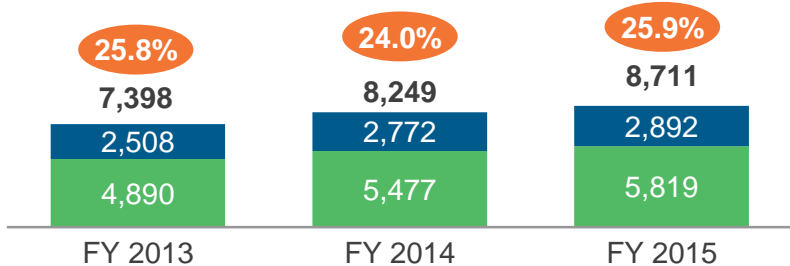
Scale of BFSI subverticals

Banking Capital markets Insurance

Key financial parameters

Revenue in US\$ million

Revenue¹ from the BFSI vertical
Revenue¹ from other verticals
Operating margin



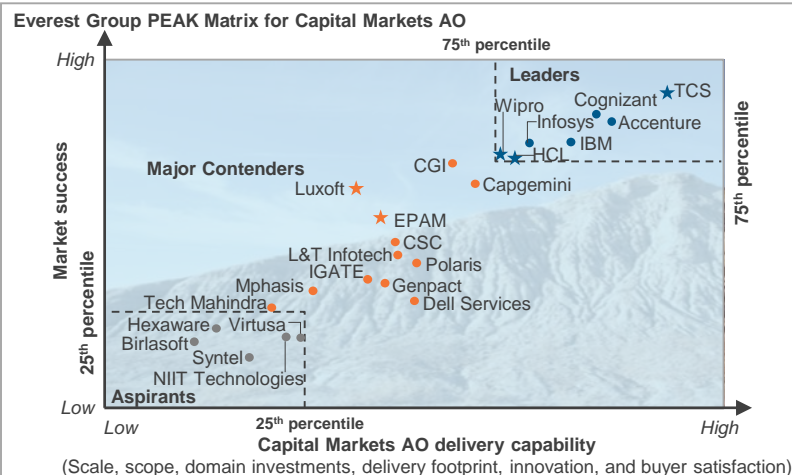
Services offered for the BFSI vertical: Business advisory and execution services including business/technology solutions, business consulting, architecture definition, program management, product evaluation, porting & reengineering, application development, maintenance & testing, and production support; suite of point solutions for the BFSI sector

Major BFSI clients: ABN AMRO, GreenPoint Mortgage, Industrial Development Bank of India, MoneyGram International, National Australia Bank, Nomura Securities, Suncorp, and Westpac

¹ FY ends on March 31; health insurance included in Infosys' definition of the insurance segment; total may have minor variation owing to rounding-off adjustments
Source: Everest Group (2015)

Infosys | Capital markets ITO profile (page 2 of 10)

Capital markets AO capability assessment and market success



Capability dashboard

Capital markets lines of business

- I-banking
- Asset mgmt.
- Brokerage
- Custody & fund admn

Geographic scope

- North America
- Latin America
- EMEA
- APAC

Key technology spend areas

- Risk & regulatory compliance
- Mobility
- Social
- Analytics
- Cloud

- Established:** Mature capabilities with high adoption
- Credible:** Strong capabilities with rising adoption
- Emerging:** Nascent capabilities with limited adoption

Market share by active ACV

10%

Market share by number of contracts

5%

PEAK Matrix dimensions assessment

Dimension	Rating
Market success	
Scale	
Scope	
Domain investments	
Delivery footprint	
Innovation	
Buyer satisfaction	

High Low

Strengths

- Sustained success with capital markets clients across North America and Europe
- Invested in a variety of relevant solutions/platforms such as customer analytics framework, loyalty solution, transaction reconciliation system, information platform (cloud-based data analytics and visualization tool), mobile application management, problem analytics, and payment gateway integration
- Launched Edgeverve Systems Limited to develop and operate cloud-hosted platform and software products available as a pay-as-you-use service, and to provide various digital services to clients in an outcome-based model
- Acquisition of Panaya enables Infosys to bring automation to several of its clients via an agile SaaS model and the partnerships with Wolf Olins, Fitch Design Consulting, and UDG to enhance its capabilities in the design space

Areas of improvement

- High attrition levels, account management churn, and inconsistencies in investments for growth cited as key client challenges
- Needs to invest in developing capabilities to integrate third-party capital markets products across the value chain

Source: Everest Group (2015)

Infosys | Capital markets ITO profile (page 3 of 10)

AO domain investments

Proprietary solutions (representative list)

Line of business	Solutions
Capital markets	<ul style="list-style-type: none">• Finacle Treasury: A shared services offering combining people, processes, technology, and best practices across both product implementation and BPO in the derivatives space• Infosys Transaction Reconciliation System (ITRS): Offerings targeted towards complex reconciliation & high performance needs of the BFSI sector. It can cater to reconciliation needs across other verticals as well (launched in 2014)
Overall BFSI	<ul style="list-style-type: none">• Infosys BigData Edge: This solution helps to quickly discover, analyze, and act on information to drive real-time business decisions across industries. It enables real-time discovery of data across both internal systems and external sources• Infosys Credit Servicing Platform: This solution helps financial institutions manage multiple loans and asset classes across the globe. It manages multiple credit types and asset classes through complete lifecycle – from onboarding to resolution and closure• Finacle Wealth Management: This solution allows banks to quickly introduce new products and services, such as financial planning and investment products, along with the traditional retail banking services• Infosys Forward Compliance System: Tool launched in 2012 for management of complex regulatory compliance requirements around Foreign Account Tax Compliance Act (FATCA) and its various Inter-Government Agreement (IGA) flavours• Infosys problem analytics: Analytics solution that identifies recurring incident pattern and helps eliminate or automate incident resolutions (launched in 2014)• Infosys command center: This platform minimizes business disruption through proactive business process monitoring and rapid resolution. It provides early warning notifications and helps align business processes with underlying IT processes to drive prioritization based on business SLAs and KPIs rather than the IT SLAs (launched in 2014)

Source: Everest Group (2015)

Infosys | Capital markets ITO profile (page 4 of 10)

AO domain investments

Proprietary solutions (representative list) (continued)

Line of business	Solutions
Overall BFSI (continued)	<ul style="list-style-type: none">• Infosys Information Platform (IIP): IIP can be housed on-premise or in the cloud. It industrializes open-source frameworks to generate insight from data for industry-specific applications coupled with rich visualization options (launched in 2014)• Infosys' continuous delivery acceleration solution: This platform integrates toolsets to form a continuous delivery pipeline across teams (development, test, and operations) (launched in 2014)• Infosys IT management-as-a-service solution: Solution that offers a platform to manage IT functions such as strategy, engineering, operations, and analytics over both cloud-based and legacy workloads at the same time within the same IT management stack (launched in 2014)• Infosys loyalty solution: Infosys loyalty solution offers business process toolkit, loyalty offers handbook, test case repository, loyalty solution architecture framework, and loyalty modules catalog (launched in 2014)• Payment gateway integration solution: Integrated payment gateway solution (launched in 2014)• Brand builder: Accelerator for Adobe Experience Manager that facilitates content management / creation tasks (launched in 2014)• Infosys Mobile Application Management (iMAM): The iMAM solution aids enterprises to manage their mobile applications that are deployed by them in B2C, B2B, and B2E context across iOS and Android devices (launched in 2014)• Infosys 3M Framework for mainframes: This is a strategic roadmap framework for existing mainframe clients that helps them minimize costs, maximize RoI, and modernize the mainframe platform (launched in 2014)• Agile VGDM: A tabletop-based surface computing framework for collaborative, distributed, and agile development (launched in 2014)• Customer analytics framework: Framework built to enhance cross-selling and addressing customer satisfaction

Source: Everest Group (2015)

Infosys | Capital markets ITO profile (page 5 of 10)

AO domain investments

Proprietary solutions (representative list) (continued)

Line of business	Solutions
Overall BFSI (continued)	<ul style="list-style-type: none">• Complete tablet-based online account opening framework/solution: Framework/solution based on straight through processing and offline synch-up capabilities• Infosys TradeEdge: A sales platform for global brands in emerging markets

Source: Everest Group (2015)

Infosys | Capital markets ITO profile (page 6 of 10)

AO domain investments

Acquisitions (representative list)

Target	Date	Capabilities added
Kallidus Inc. (d.b.a. Skava)	2015	Infosys acquired Skava to bring digital experience solutions, including mobile commerce and in-store shopping experiences, to its retail clients
Panaya, Inc.	2015	Infosys acquired Panaya Inc. to bring automation to several of its clients via an agile SaaS model
Lodestone Holding AG (Switzerland)	2012	The deal strengthens the management consulting capabilities of Infosys globally and expands its presence in Continental Europe. The acquisition adds more than 750 experienced consultants and 200 clients across various industries
Portland Group (Australia)	2011	Enhanced Infosys' project-based consulting support by providing ongoing managed services with responsibility for delivery of improved client profitability under long-term arrangements. The acquisition will enhance Infosys' capabilities across several verticals including BFSI
McCamish Systems (United States)	2009	Strengthened Infosys' position in insurance and financial services sectors to provide both platform-based and license-based offerings; enhanced the company's capability to deliver end-to-end business solutions in the BFSI vertical

Source: Everest Group (2015)

Infosys | Capital markets ITO profile (page 7 of 10)

AO domain investments

Key alliances (representative list)

Alliance partner	Purpose of alliance
Wolff Olins	User interface designing and social media
Fitch Design Consulting	Enhance capabilities in brand design and communications
United Digital Group Oberhausen (UDG)	Strategic partnership to provide user experience consulting, research, concepts and design, visual design, and user experience prototyping
Detica NetReveal	Service agreement to implement Detica Norkom product for the Australian region, particularly on AML and FATCA compliance
SAS	Alliance for risk and compliance initiatives leveraging SAS enterprise solutions and analytics offerings, and Infosys consulting and implementation services
Metric Stream	Global alliance for GRC implementation
KYCnet	Alliance for remediation services in the KYC space
SunTec	Provide relationship-based pricing to clients in the banking and capital markets verticals
Axway	Offer multi-enterprise collaboration, secure content delivery, and application integration solutions
WorkLight	Offer integrated application solutions in financial services across mobile, desktop, and Internet for multi-channel transformation
Zafin Labs	Provide loyalty and relationship-based pricing solutions to clients in the banking and payments space

Source: Everest Group (2015)

Infosys | Capital markets ITO profile (page 8 of 10)

AO domain investments

Key alliances (representative list) (continued)	
Alliance partner	Purpose of alliance
(Several)	<ul style="list-style-type: none">• Enterprise-level alliances with Microsoft, Oracle, SAP, CA Technologies, HP, IBM, Informatica, Siemens, and TIBCO• Partnerships for banking and capital markets with Axiom Consulting, Calypso, Actimize, Sungard, Murex, Thomson Reuters, Eagle, Fundtech, Temenos, VisionPLUS, Actimize, Norkom, Geneva, Algorithmics, and AssetControl

Source: Everest Group (2015)

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Capital markets ITO transactions activity

NOT EXHAUSTIVE

Recent transaction activity¹

Buyer's name	Announcement date	TCV estimate (US\$ million)	Duration (years)	AO/IO/ both	Contract details and services
Discover Financial Services	November 2014	N/A	N/A	AO	Implementation of Infosys' Finacle
FONDEP	June 2014	N/A	N/A	AO	Implementation of Infosys' Finacle
Tetrad Investment Bank	October 2013	N/A	N/A	AO	Implementation of Infosys' Finacle
Lloyds Register Group	November 2012	N/A	N/A	AO	Implementation and deployment of a global CRM system

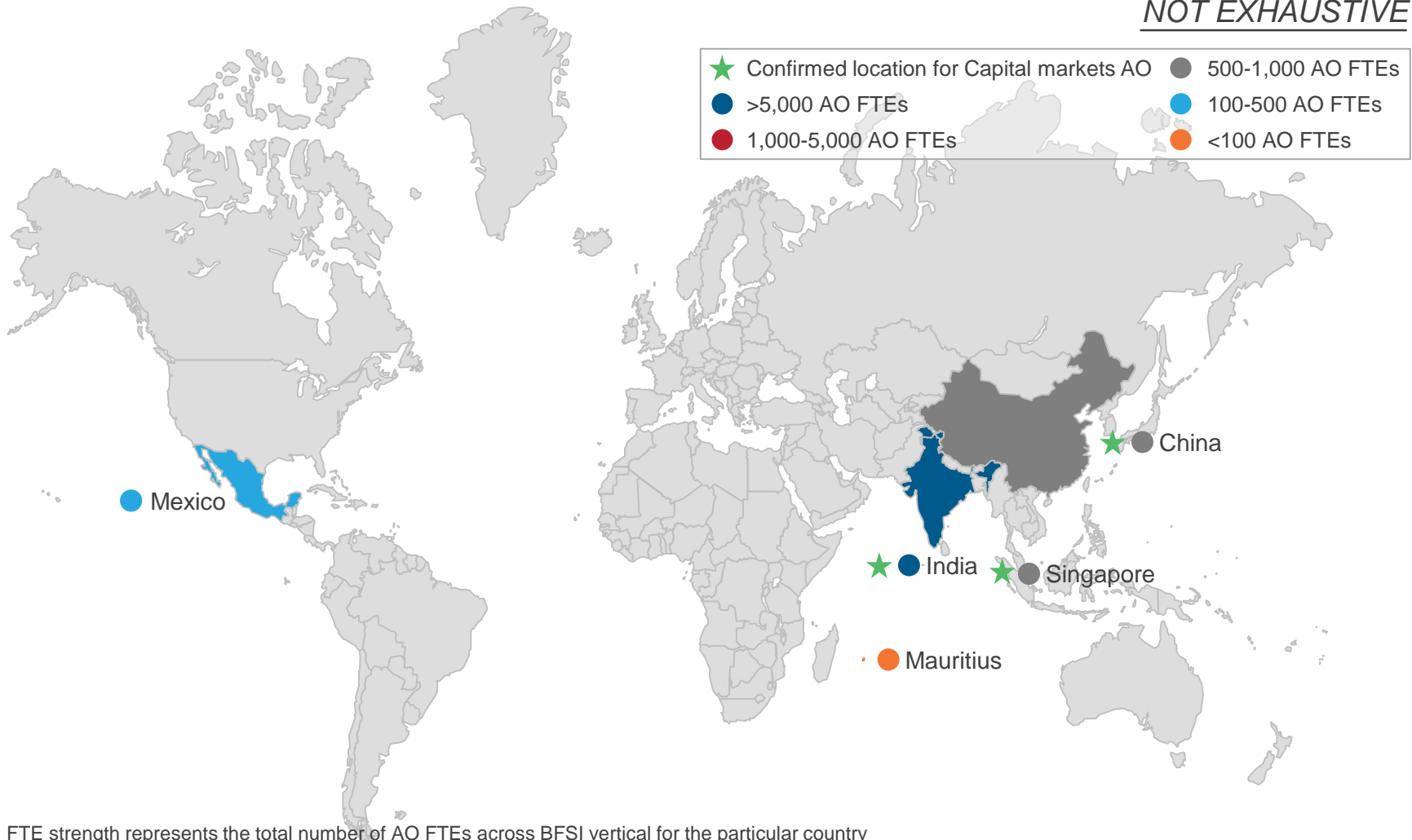
¹ Publicly-announced capital markets ITO transactions during 2012 to 2015

Source: Everest Group (2015); Transaction Intelligence Database

Infosys | Capital markets ITO profile (page 10 of 10)

Key BFSI offshore AO delivery locations

NOT EXHAUSTIVE

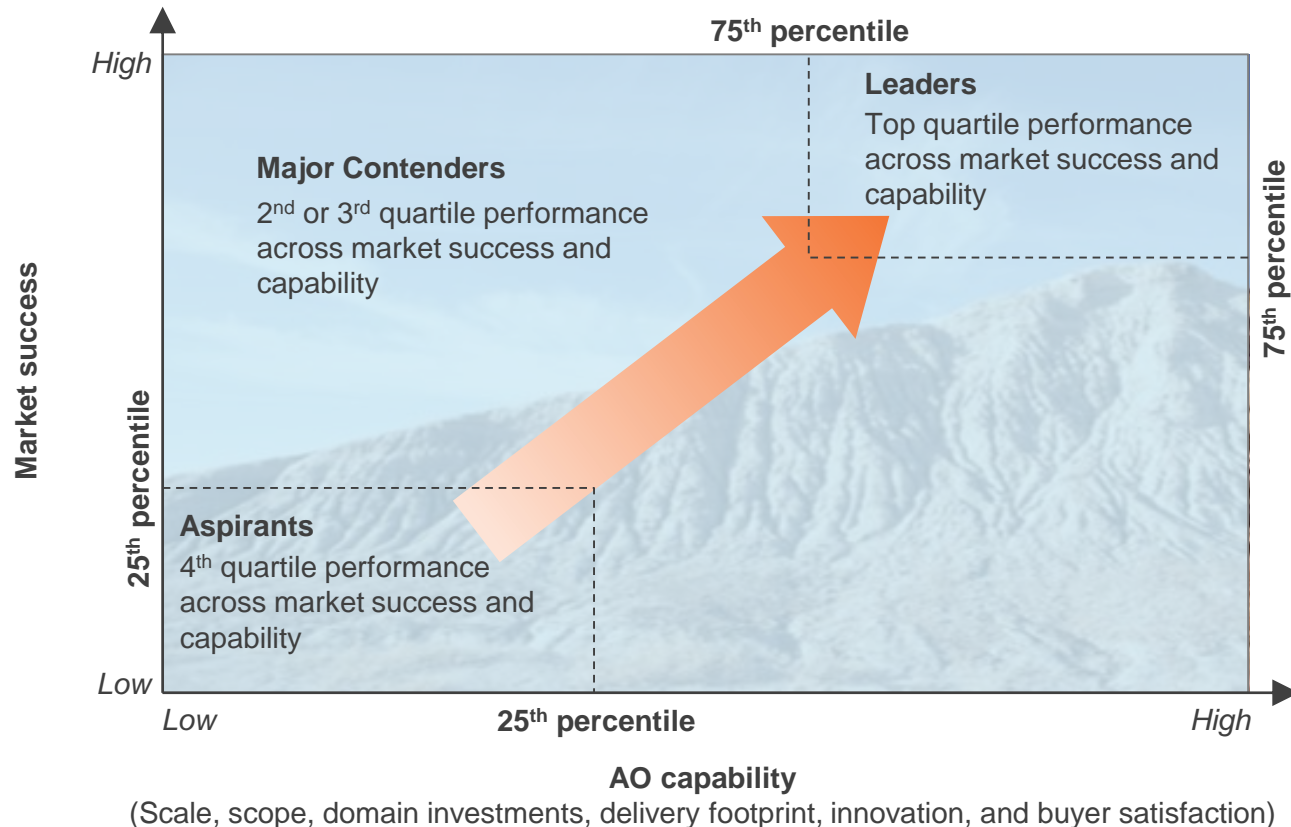


Note: FTE strength represents the total number of AO FTEs across BFSI vertical for the particular country
Source: Everest Group (2015)

Appendix

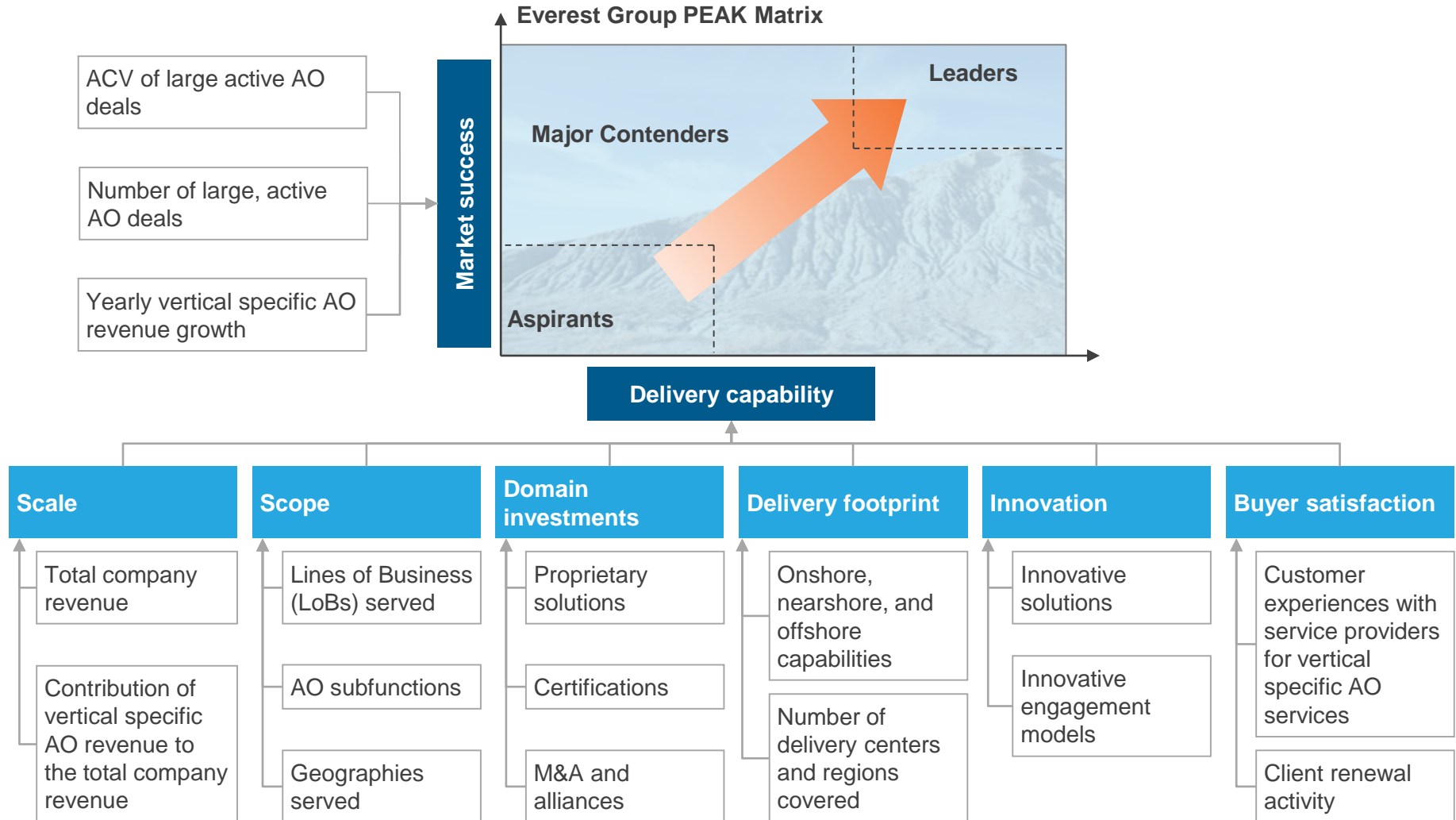
The service providers were mapped on Everest Group's Performance | Experience | Ability | Knowledge (PEAK) Matrix

Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix for Application Outsourcing



Everest Group's PEAK Matrix is a composite index of a range of distinct metrics related to a service provider's scale, scope, technology/domain investments, delivery footprint, innovation, buyer satisfaction, and resultant market success in the context of a given outsourcing function

Dimensions of service providers' capability and market success underlying the PEAK Matrix



Does the PEAK Matrix assessment incorporate any subjective criteria?

- The Everest Group's PEAK Matrix assessment adopts an objective and fact-based approach (leveraging service provider RFIs and the Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider briefings

Is being a “Major Contender” or “Aspirant” on the PEAK Matrix an unfavorable outcome?

- No. PEAK Matrix highlights and positions only the best-in-class service providers in a particular functional/vertical. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is in itself a favorable recognition

What other aspects of the PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?

- The PEAK Matrix position is only one aspect of the Everest Group's overall assessment. In addition to assigning a “Leader”, “Major Contender” or “Aspirant” title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric level assessment and associated commentary is helpful to the buyers in selecting particular providers for their specific requirements. It also helps providers showcase their strengths in specific areas

What are the incentives for buyers and providers to participate / provide input to the PEAK Matrix research?

- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own “profile” that is published by Everest Group as part of the “compendium of PEAK Matrix providers” profiles

What is the process for a service provider to leverage their PEAK Matrix positioning status ?

- Providers can use their PEAK Matrix positioning in multiple ways including:
 - Issue a press release declaring their positioning/rating
 - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
 - Quotes from the Everest Group’s analysts could be disseminated to the media
 - Leverage the PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- **The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated PoC at Everest Group**



From **insight** to **action**.



About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empowers clients to improve organizational efficiency, effectiveness, agility and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com and research.everestgrp.com.

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