

UNLOCKING BUSINESS VALUE FROM PAYMENTS MODERNIZATION

Tailoring real-time payments
solution for your enterprise





Spurred by a year of unprecedented disruption, 2021 saw Real-time Payments (RTP) grow larger—in terms of both volumes and values—and faster than anyone could have anticipated. While RTP and ISO20022 trends were firmly in place even before the pandemic intervened, now the RTP adoption pace has markedly increased as legacy banks look to quickly advance their Payments modernization roadmaps amid uncertainty. While Banks understand the importance of enhancing their payments offering for customer retention, some of them feel challenged due to the requirement of committing high upfront investments in adopting RTP and being ISO20022 ready in somewhat concurrent manner. With it's deep Payments business and technology understanding and formidable track record, Infosys Consulting has propelled many Payments schemes and large banks alike to think through the challenges, envision a strategy and win in these truly challenging but exciting times.

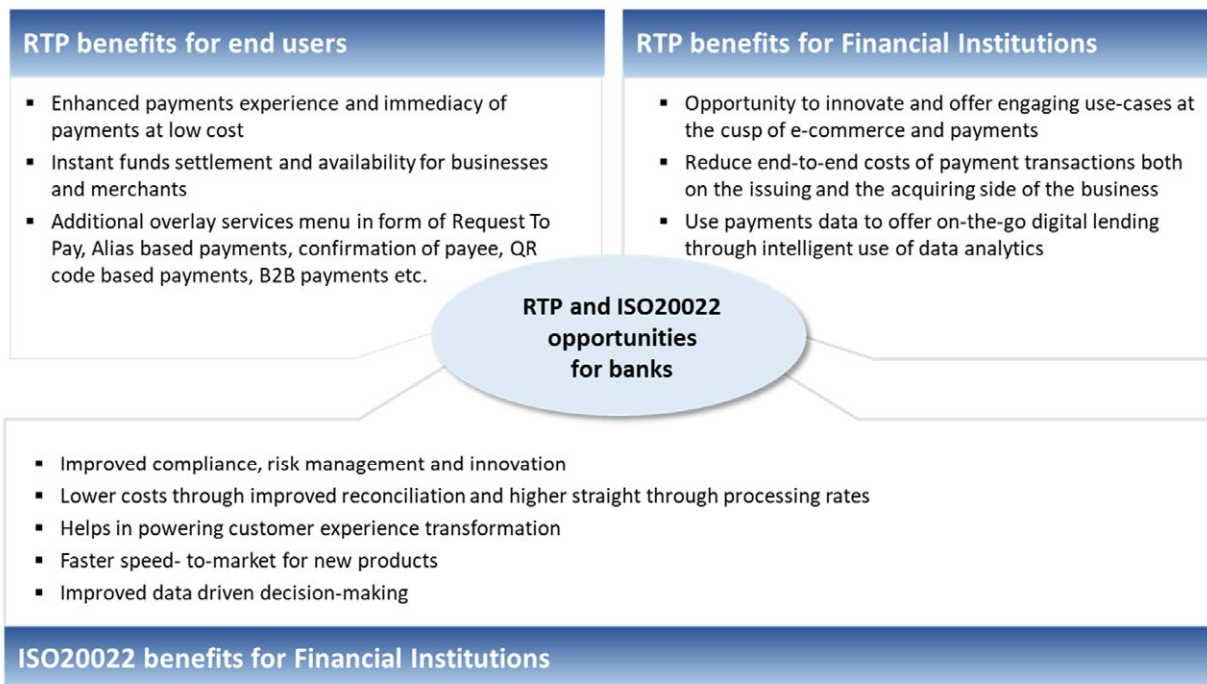
Overview

The ever-constant innovation in real-time payment use-cases and the impending 2025 regulatory deadlines for ISO20022 compliance have created what may sound like a perfect storm for banks. While being justifiable worried, it is actually a perfect opportunity for banks to modernize their

payments infrastructure. Many real-time payments schemes around the world have been ISO 20022-based from day one and the impending shift of FIs and banks to the futuristic standard will not only result in consolidation of IT infrastructure (and associated cost reduction), but also create a slew of new services that will bridge previously disparate payment systems. They

are expensive as well. Once ISO20022 ready, banks will find it easy to innovate data rich products and services that are interoperable across payments types, including cross border RTP. The key question is – are banks willing to adopt a long-term view of the available opportunities and undertake modernization of it's Payments platform in a strategic manner ?




While operationally challenging, RTP and ISO20022 adoption offers tremendous opportunities for financial institutions and banks






Considering the implications of ISO20022 migration in RTP, banks need to urgently kickstart modernization of their legacy Payments architecture to ensure it is adequately nimble, open and ready to meet future demands.

Infosys envisages a 3-step approach to deliver a tailored payment strategy and roadmap for future-ready state-of-the-art payments infrastructure




1 Assessment & Discovery **Assess & catalog current state capabilities and identify opportunities in the landscape for uplift**

What we analyze?	How we analyze it?	Business Benefits
<ul style="list-style-type: none"> • Current state of payments capabilities • Integrations across payments value chain • Underlying non-functional capabilities • Existing products, services and customer experience • Regulatory guidelines 	<ul style="list-style-type: none"> • Root cause analysis through stakeholder interviews • Requirements (Functional & Non-Functional) mapping to capabilities • Analysis of service management & operating models • Heat maps with qualitative & quantitative attributes 	<ul style="list-style-type: none">  Environment readiness  Optimized options for investment  Capability gaps heat map For RTP adoption

2 Solutions & Opportunities Positioning **Perform competitor analysis, Define and catalog change initiatives, & Develop Position Paper (as applicable)**

What we analyze?	How we analyze it?	Business Benefits
<ul style="list-style-type: none"> • Capabilities mapping to existing solution blocks • Capabilities requiring re-architecting and/or new solution blocks • Assess alignment to existing and future initiatives • Identify possible solutions through industry insights & peer analysis 	<ul style="list-style-type: none"> • Create new capabilities catalogue • Catalog capabilities that need re-architecting, re-engineering, replacement or retiring • Identify opportunities and solutions that can optimize capabilities • Leverage Infosys payments reference architecture & shop floor toolkit 	<ul style="list-style-type: none">  Architectural Guiding Principles  Options/ Position Paper for select Vendor products Including build /buy  Target State Architecture

3 Roadmap, Investment Summary & Target Architecture Blueprint **Implementation Roadmap with prioritized initiatives aligned with objective investment summary**

What we analyze?	How we analyze it?	Business Benefits
<ul style="list-style-type: none"> • Identify quick wins • Assess current regional & global execution roadmap • Prioritize & sequence change initiatives • Summarize magnitude of investment 	<ul style="list-style-type: none"> • MOSCOW prioritization framework for change initiatives • Breakdown target state into finite MVP solutions • Estimate order of magnitude for investment 	<ul style="list-style-type: none">  List of prioritized initiatives  Implementation Roadmap  Business Case including TCO analysis for RTP adoption

Infosys has extensive experience in large transformations to enable real-time payments aimed at enhanced customer value and competitive edge.

Case Study #1:
Leading Australian Bank

Operating model development, end-to-end solution design and program management for operationalization of a New Payments Platform (NPP)

Infosys Approach

- RFP development for payment engine and system integrator selection
- Development of end-to-end business solution design
- Visualization of a robust and high security network solution that offered tokenization solution moving the bank to attain PCI-DSS compliance
- Development of target operating model covering faster payment scheme as a managed service
- Transition to a federated solution with a very high-level Service Oriented architecture with room for day 2 requirements of Overlay services

Client Benefits

- Future ready infrastructure designed to enable RTP
- Revenue generation through agency banking services
- Creation of new product offerings leveraging NPP
- Option to quickly add overlay services

Case Study #2:
Large UK Financial Institution

Payments, distribution & accounting platform development to support processing of schemes such as Faster Payments, BACS, CHAPS & SWIFT

Infosys Approach

- Conceptualization and design of the Faster Payments solution
- Development and implementation of Payment Distribution and Accounting (Base Infrastructure) platform to process various payment schemes
- Design of SOA based architecture to support integration with large number of applications while maintaining high availability & lower maintenance costs
- Establishment of SEPA compliance checks for all outgoing messages
- Design of test framework to test the components being developed by simulating the external applications and web services components to interact

Client Benefits

- Enabled client to quickly join Faster Payments post implementation
- Reduced payment processing time from 3 days to same day
- Support for 80 transactions/ second with 3 B transactions processed in first 5 years

Case Study #3:
Large US Bank

Implementation of flagship product, Finacle Enterprise Payments Hub for bank's operations in SIAM region

Infosys Approach

- Optimal solution blueprint in an accelerated way facilitated by Infosys consulting shop floor assessment tool kit and vendor selection framework
- Design and implementation of Payments Hub for all types of domestic and international payments

Client Benefits

- Centralized information on inward & outward payments
- Reduced GTM for new products

For more information, contact askus@infosys.com

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