

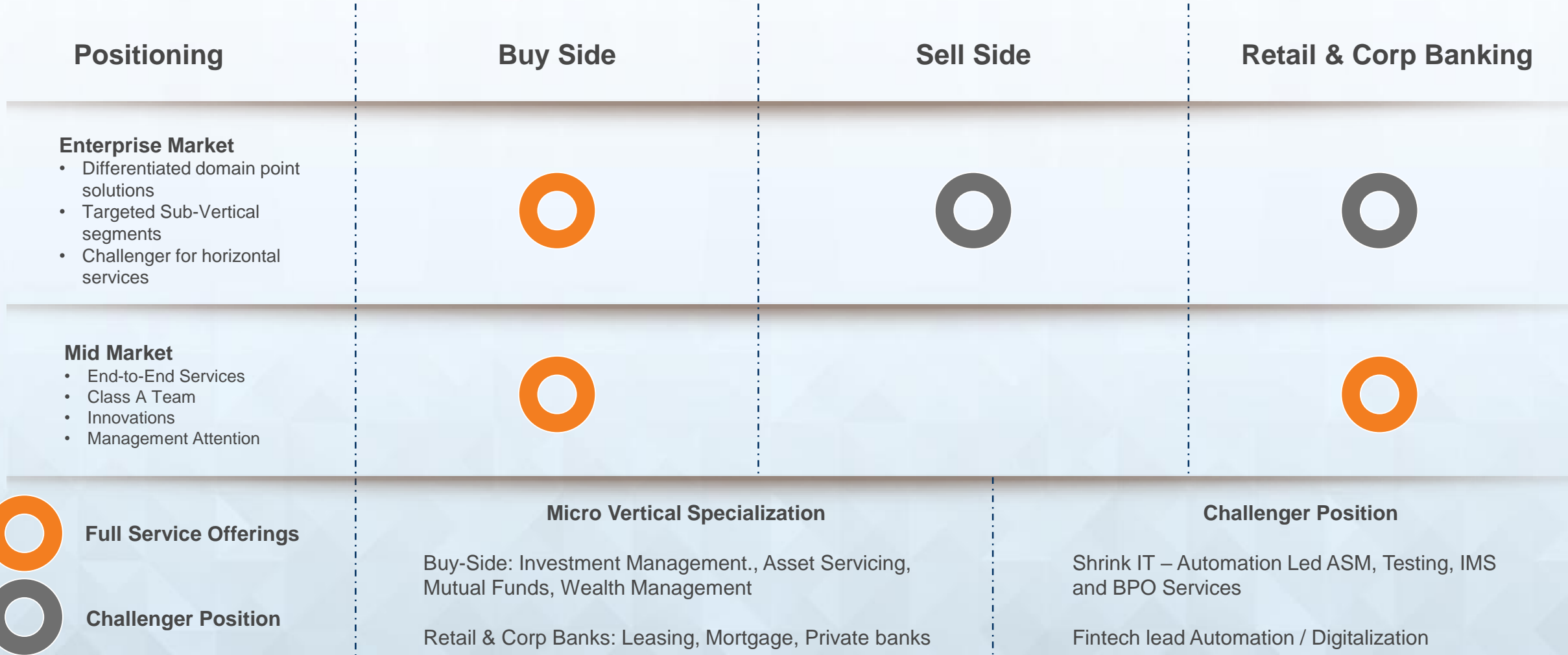


HEXAWARE

Investor Meet – BFS Key Growth Areas

Ravi Vaidyanathan

Our Market Positioning



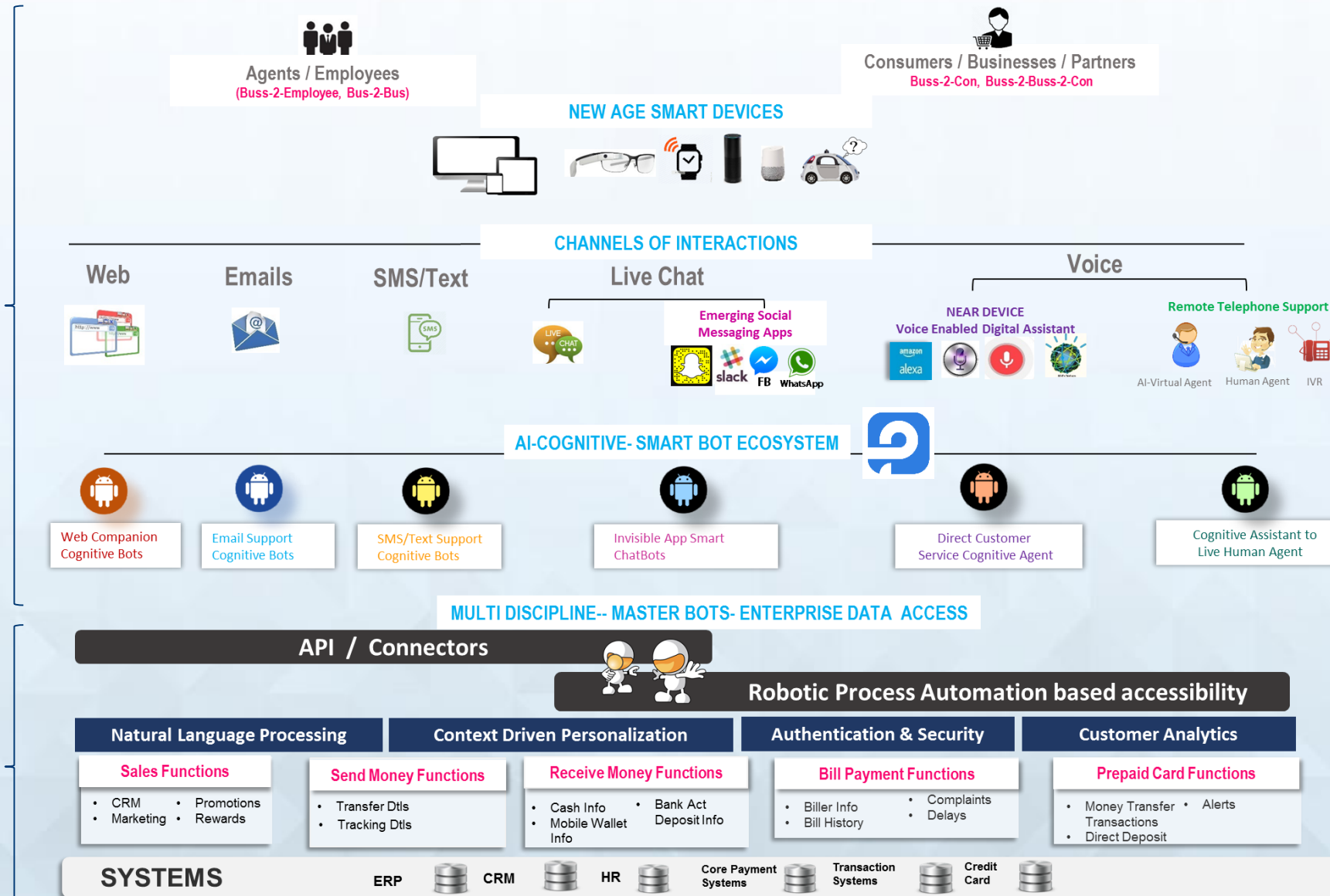
Next Gen Banking & FS Solutions: Focus Areas



Omni Channel- Omni Device – Banking Experience Transformation

Banking Experience Transformation

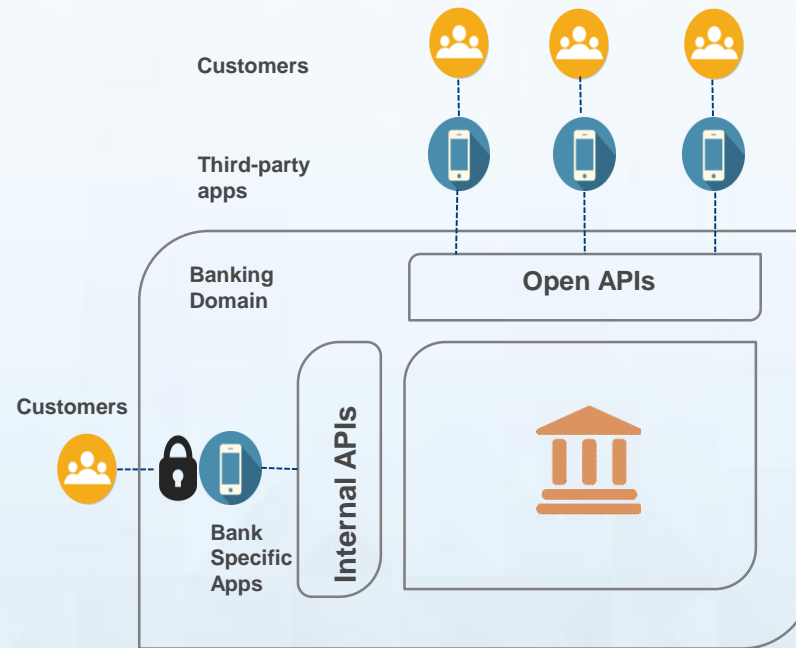
Banking Technology Transformation



Open Banking & API Economy: The Digital Bank

Opportunity to create a marketplace of banking and financial services

- The emerging ecosystem of Bank-FinTech partnerships and collaborations has paved the way for data sharing economy
- Many Open initiatives and government regulations open up access to the customer data banks hold on other businesses
 - Regulations such as Access-to-Accounts as part of Payment Service Directive (PSD11) and Open API (application programming interface) standards are paving the way for an open API ecosystem
 - Regulators in many other countries are also evaluating feasibility of open APIs with the aim to provide consumers with secure, less expensive, and easy-to-use financial services
 - A way for banks to monetize their digital assets and data



Opportunities

Supports Innovation

Agility and Cost Reduction

New Revenue Generation Opportunities

Challenges

Legacy Systems

Increased Load Volumes












Cyber Risk Considerations

The API Economy is projected to be \$2.2 Trillion by 2018

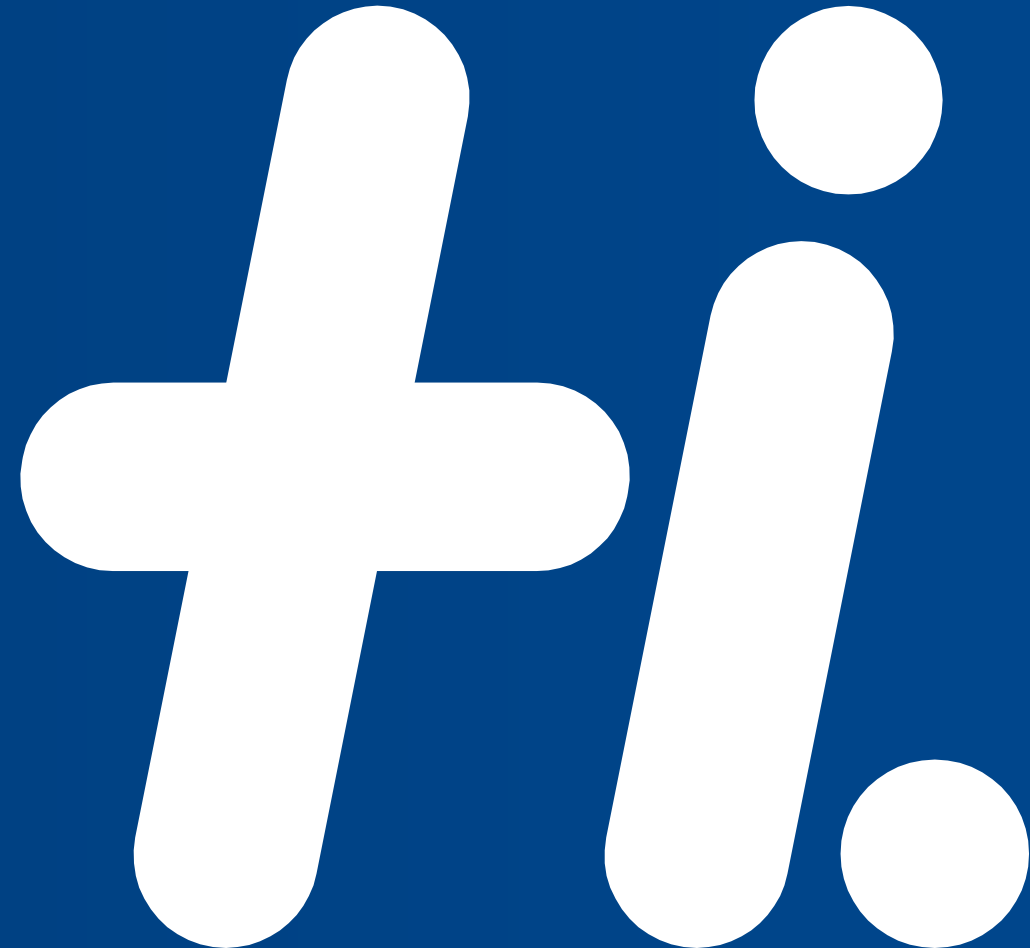
API Management spend will reach \$660M by 2020

Distributed Ledger Technology

Predictions of DLT (Blockchain) becoming the next-gen financial infrastructure has captured imagination and wallet of Financial Services Ecosystem

Unfolding Blockchain opportunity	POTENTIAL SEGMENTS FOR IMMEDIATE IMPACT		What are we doing?	Challenges in Industry Maturity
<p>24+ countries currently investing in DLT</p>	 <p>Healthcare Information Exchange</p>	 <p>Banking, smart KYC, ledger redesign, payments</p>	<ul style="list-style-type: none"> • Testing out the platforms • Implementation of PoCs • Building partner ecosystem 	 <p>An uncertain and un-harmonized regulatory environment</p>
<p>2500+ patents filed over the last 3 years</p>	 <p>Titles, Assets, P2P Trade</p>	 <p>Smart Business Contracts</p>		 <p>Nascent collective standardization efforts</p>
<p>90+ corporations have joined blockchain consortia</p>	 <p>Digital Assets Records & Exchange, Rewards/loyalty points</p>	 <p>Stock and post trade settlement</p>		 <p>An absence of formal legal framework</p>
<p>80% of financial institutions predicted to initiate DLT projects by 2017</p>	 <p>Universal Digital Identity</p>	 <p>Government, Regulatory Authorities</p>		
<p>Over US\$ 1.4 billion in investments over the past 3 years</p>				
<p>90+ central banks engaged in DLT discussions worldwide</p>				

Shrink IT - Grow Digital
A Winning Case Study



The Client

Leading B2B International Payments Provider

- Leading independent **global provider of specialized payment products and services** including fleet cards, food cards, corporate lodging discount cards and other specialized payment services
- Serves over **500,000 commercial accounts** with millions of cardholders
- Manages **relationships with more than 800 partners**, ranging in size from major oil companies to small petroleum marketers with a single fueling location
- **Established: 2000**
- **2016 revenues: \$ 2 Billion**

- **Number of Transactions processed: 1.9 Billion +**
- **Number of Countries: 53** (primarily in North America, South America, Europe, Africa and Asia)
- **Employees: 7000+**
- **Customers:**
 - **Commercial, Government fleets, Retailers**
 - **Indirect channel:** Major oil companies (BP, Chevron, Shell, Arco), Petroleum marketers (900), Leasing companies and VARs

Client Business Strategy

- ▶ Aggressive Growth Strategy - Build, Buy and Partner strategy
- ▶ Diversified Business Strategy - Geo, Verticals, Product Lines
- ▶ Partners include BP, Shell, Mastercard, Speedway and Uber
- ▶ Completed over 70 acquisitions of companies and commercial portfolios
- ▶ Attract and Retain Market Share, Leverage economies of scale to efficiently manage costs
- ▶ Technology is the major driver for the efficiency of the business

Client IT Imperatives

- ▶ Global Payments Platform Rollout
- ▶ Implement an IT service model that enables quicker acquisition and integration of businesses
- ▶ Leverage Automation, Fintech, AI as competitive advantage

Challenges faced

From Previous Generation sourcing

High outsourcing spend
with its then incumbent
vendor

Operating in a T&M model
with little visibility of future
spend and improvement
potential

Major business acquisitions
leading to **heterogeneous IT
ecosystem**

Minimal or no automation
in application deployment
and testing

**Data Migration time-to-
market is high** (largely done
through manual scripting)

**No Intellectual Properties
(IP) or tools** deployed by the
incumbent towards
automation, efficiency and
productivity

Hexaware Solution

What appealed to the client

Shrink IT - Grow Digital



Automation First Approach - 30% minimum cost savings thru extreme automation in the areas of Testing, Application development & Maintenance and Infrastructure Maintenance



Business Agility thru Release Automation and Implementation of continuous Integration/Continuous Deployment Framework



Transform from T&M to Managed services model using metrics driven approach



End to End ownership of systems, migrations and eventually overall IT integration



Mitigate data migration risks and Reduce incidents of business outage thru automated Data Migration processes



Fast and Seamless tools based transition from the incumbent vendor with safety first approach

Hexaware Solution

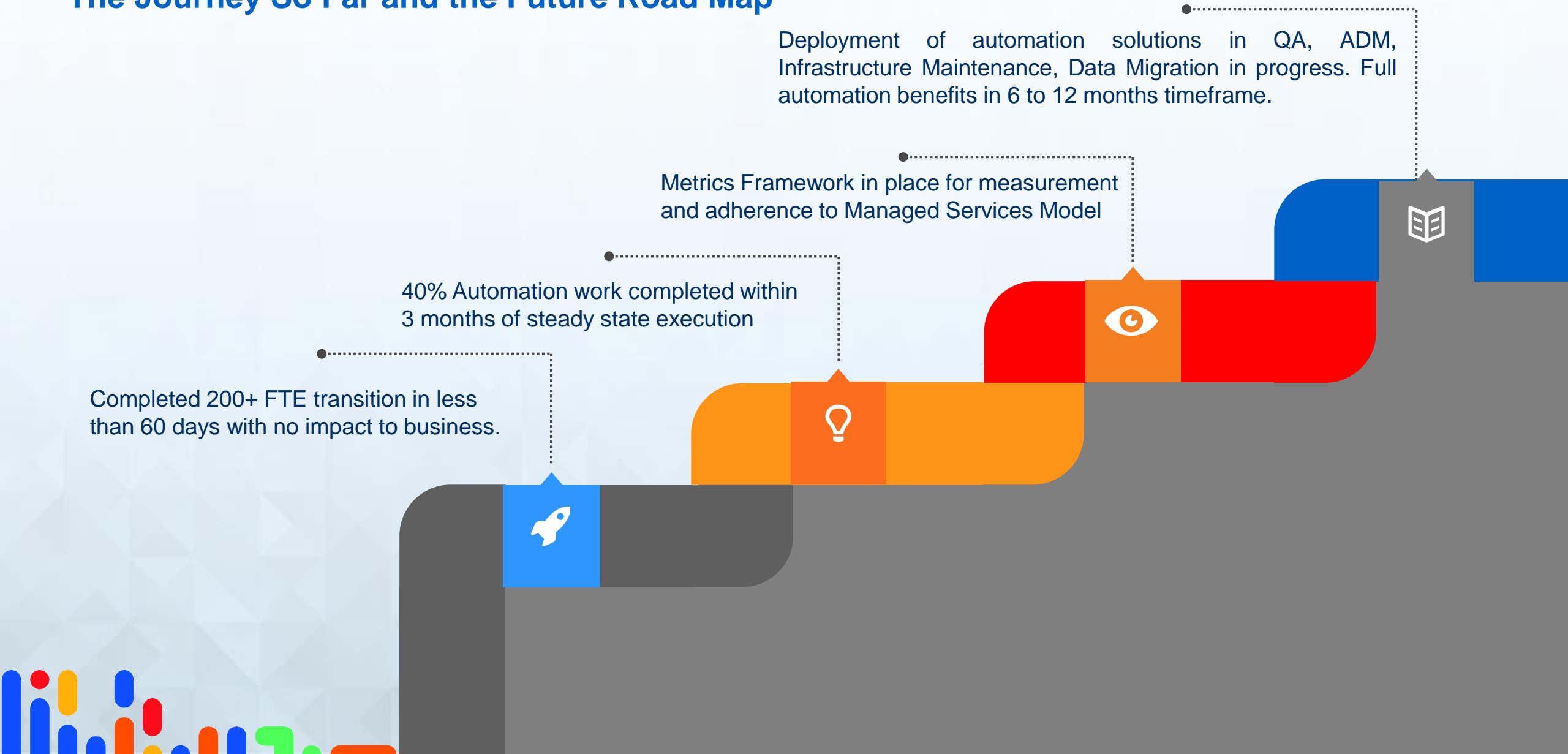
The Journey So Far and the Future Road Map

Completed 200+ FTE transition in less than 60 days with no impact to business.

40% Automation work completed within 3 months of steady state execution

Metrics Framework in place for measurement and adherence to Managed Services Model

Deployment of automation solutions in QA, ADM, Infrastructure Maintenance, Data Migration in progress. Full automation benefits in 6 to 12 months timeframe.



Hexaware Solution

Benefits to the client



33% Guaranteed cost savings from the current spend for the client over a period of **5 years**



Reduced turnaround time for the IT applications



Reduction in the time to market for data migration



Increased flexibility and responsiveness to the business

Unified process and reporting across work streams using metrics driven framework





Innovative Services

Passionate Employees

Delighted Customers

Thank you

www.hexaware.com