



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

Focus on Wipro
July 2015



Background and scope of the research

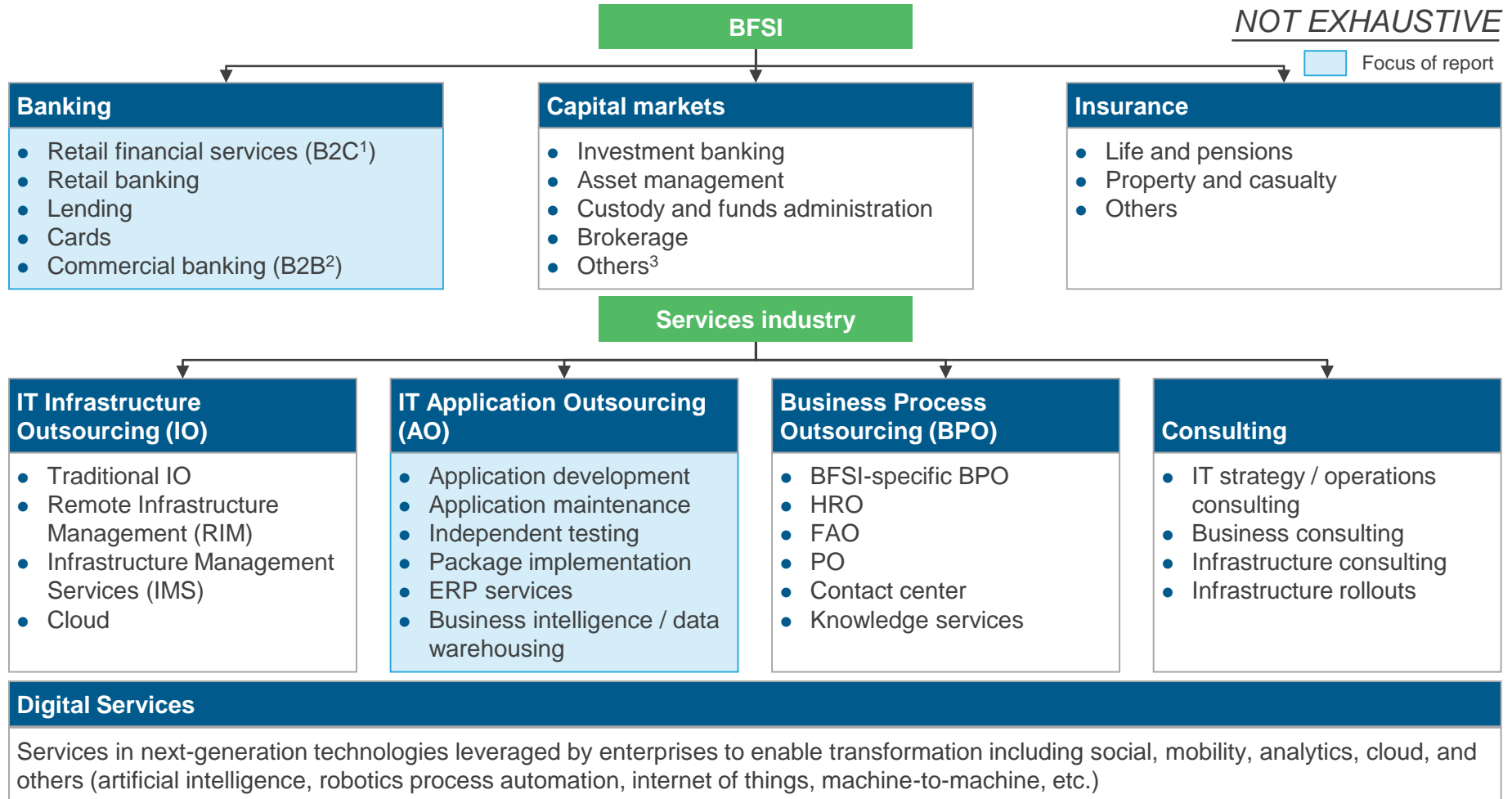
Background of the research

- Rise of digital consumers, need for business agility, growing costs of regulatory compliance, and threat from non-banking competitors in areas such as payments were the key challenges faced by banks in 2014. Banks are aligning their technology priorities around cost containment, efficiency, risk & compliance management, and transformation. Banks continued to invest in development of specific applications for regulatory compliance, risk management, channel-specific initiatives (social, mobile, etc.), and customer analytics
- The service provider landscape is intensifying as providers ramp up their capabilities, invest in innovative technologies, form alliances, and acquire strategic targets to address the growing and complex application services needs of banks and financial institutions
- In this research, we analyze the capabilities of 30 leading AO service providers, specific to the global banking 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 30 service providers in detail including a comprehensive picture of their service suite, scale of operations, domain investments, delivery locations, and buyer satisfaction specific to banking AO services

This document focuses on Wipro's banking AO experience and includes:

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

This Everest Group report is a compendium of detailed profiles of 30 service providers featured on Everest Group's banking 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, credit cards, lending, retail banking, and commercial banking)
 - 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 analysis



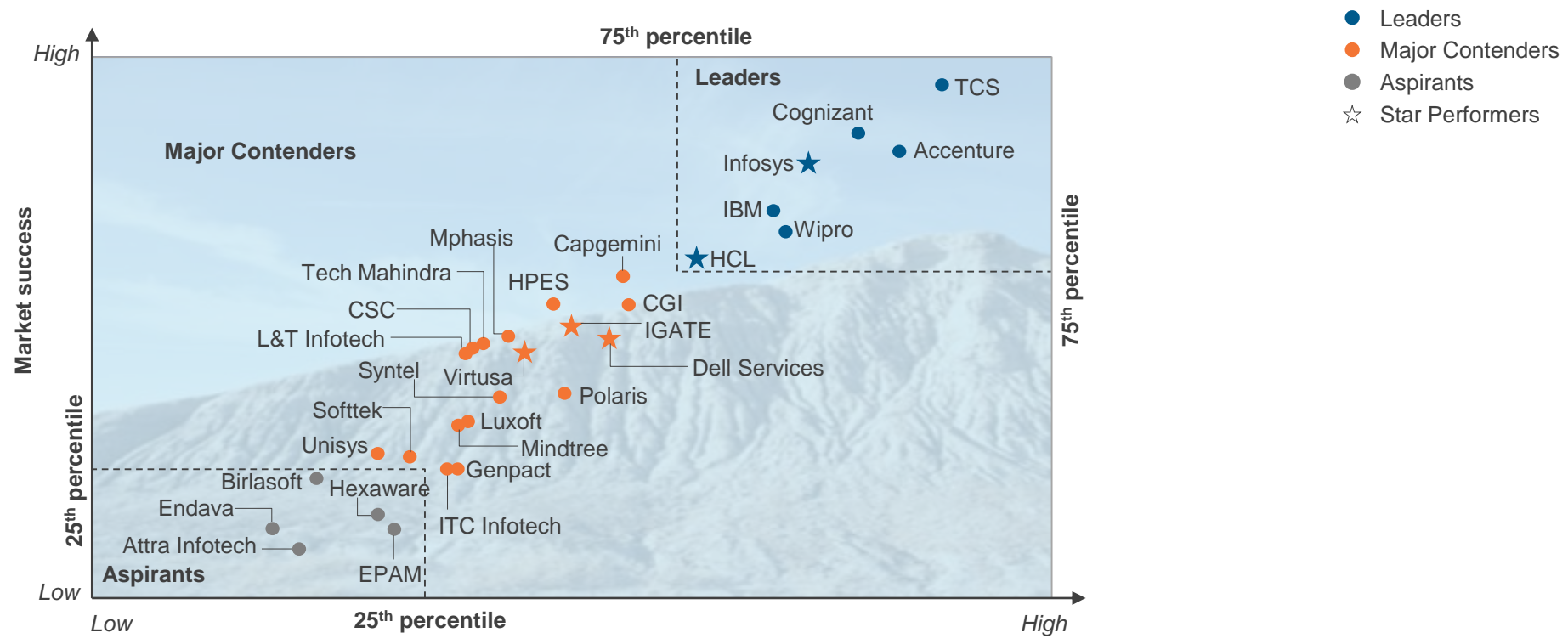
1 Assessment for Accenture, Capgemini, CSC, Endava, Hexaware, HPES (HP Enterprise Services), IBM, and Mphasis excludes service provider inputs, and is based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with banking 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

Wipro is positioned as a Leader on Everest Group PEAK Matrix for banking AO - 2015

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



Banking AO delivery capability

(Scale, scope, domain investments, delivery footprint, innovation, and buyer satisfaction)

¹ PEAK Matrix specific to large (>US\$25 million TCV), multi-year (>3 years) application outsourcing relationships for the banking sector (retail banking, wholesale banking, credit cards, loans, and mortgages); excludes capital markets and insurance

Note: Assessment for Accenture, Capgemini, CSC, Endava, Hexaware, HPES, 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 banking buyers

Source: Everest Group (2015)

Wipro | Banking ITO profile (page 1 of 10)

Corporate and BFSI overview

Company description: Wipro Ltd. is a global IT services company providing a range of IT application and infrastructure services, product engineering, technology integration, and consulting solutions. The company also offers business process services through a separate unit – Wipro BPS. In November 2012, Wipro Ltd. announced demerger of its consumer care & lighting, infrastructure engineering, and medical diagnostic product & services business into a separate company

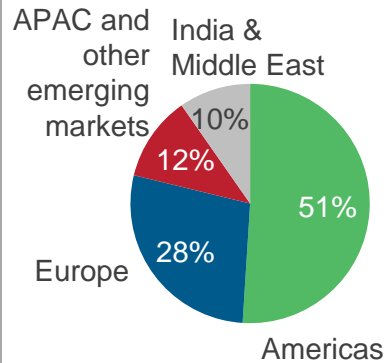
Headquarters: Bangalore, India

Website: www.wipro.com

Geographical mix¹

FY 2015; US\$ million

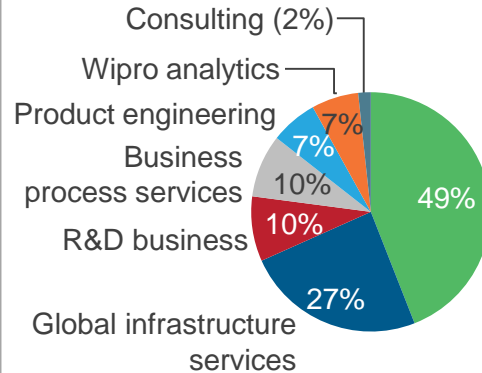
100% = 7,082



Service mix¹

FY 2015; US\$ million

100% = 7,082



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

Scale of BFSI subverticals

■ Banking ■ Capital markets ■ Insurance

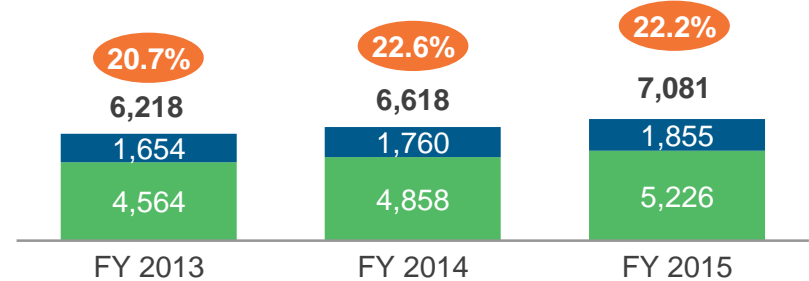
Key financial parameters

Revenue in US\$ million

■ Revenue¹ from the BFSI vertical

■ Revenue¹ from other verticals

○ Operating margin

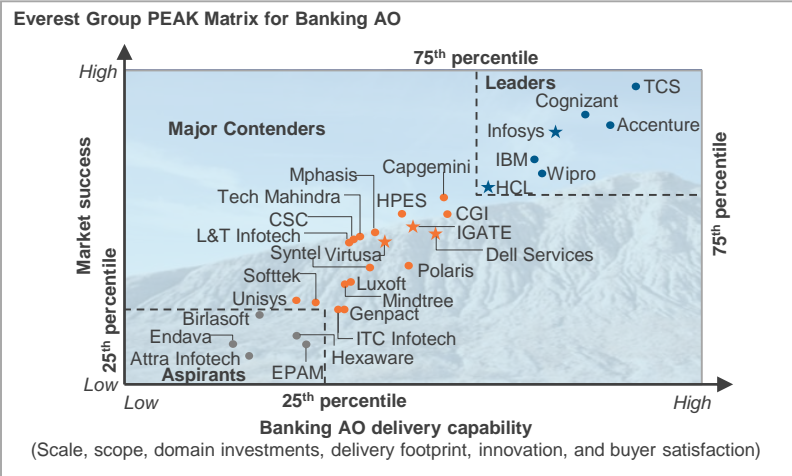


Services offered for the BFSI vertical: ADM, testing, solutions for cards, payments, lending & multi-channel implementation, core banking transformation, M&A integration services, risk & compliance services, solutions for investment banking, wealth management, and insurance

Major BFSI clients: Citigroup, Credit Suisse, Franklin Templeton, Friends Provident, Prudential Financial, Central Bank of India, and Canara Bank

¹ FY ends on March 31

Source: Everest Group (2015)

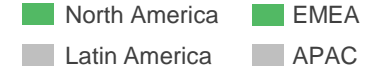


Capability dashboard

Banking lines of business



Geographic scope



Key technology spend areas



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

Market share by active ACV

6%

Market share by number of contracts

3%

PEAK Matrix dimensions assessment

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

High Low

Strengths

- Significant investments in developing proprietary solutions, tools, and frameworks across various banking AO domains; launched new solutions in the areas of governance, risk, and compliance
- Strong domain expertise and capabilities across all AO subfunctions
- Clients cite Wipro's flexibility in engagement & pricing models and strong account management as key differentiators
- Developing digital transformation capabilities with investments and acquisitions through Wipro Digital, Wipro Analytics, and Wipro Ventures

Areas of improvement

- Wipro needs to improve its consulting capabilities and nearshore delivery presence to serve its clients better
- Clients demand diversity in the resources with more local talent and empowered onsite decision-making

Source: Everest Group (2015)

Wipro | Banking ITO profile (page 3 of 10)

AO domain investments

Proprietary solutions (representative list)

Line of business	Solutions
Banking	<ul style="list-style-type: none">• HOLMES EKYC: Cognitive platform for KYC process automation, integrating internal/external databases, external websites, and knowledge extraction from structured and unstructured information sources (launched in 2015)• Risk Data Aggregation: BCBS 239 - Solution and framework to standardize data definition and data management that covers data quality, data lineage, metadata management, and data definitions (launched in 2015)• Credit risk model validation: Solution for model validation activities to assist in regulatory compliance and operational risk reduction (launched in 2014)• AML business assurance packs: AML business assurance packs covering test automation and ready test cases aligned with leading AML solutions (launched in 2014)• Automated B2B integration: Automated managed file transfer solution for corporate to bank connectivity (launched in 2014)• Working capital optimization: Insight-led client engagement for corporate relationship managers to enable corporate working capital optimization, covering business intelligence and analytics delivered on a mobile platform (launched in 2014)• Finnex: Wipro's "non-linear" initiative to create accelerators and solutions for banking aspects such as payments, channels, lending, cards, and enterprise banking• Gallagher solutions: Lending solution that comprises loan origination platform, hosted version, loan modification, etc. Various modules of Gallagher solutions include:<ul style="list-style-type: none">– NetOxygen Loan Origination Solutions (LOS) technology in enterprise and cloud versions– Enterprise mobile origination for iPad– Loan modification technology– Product & Pricing Engine (PPE)– LendCycle Fulfillment for lenders and servicers

Source: Everest Group (2015)

Wipro | Banking ITO profile (page 4 of 10)

AO domain investments

Proprietary solutions (representative list) (continued)

Line of business	Solutions
Banking (continued)	<ul style="list-style-type: none">– LendCycle Fulfillment Plus – Integrated technology platform– Domestic and global mortgage delivery locations– Enterprise application development toolkit• Customer Acquisition Management Solution: Launched in 2012, it is a SmartMobile-based, multi-product sales advisory, and account-opening solution for assisted channels such as branch and mobile sales force• e-BAM: Corporate bank account management tool launched in 2011• Smart Mobile Banking (SMB): Launched in 2011, this is a banking application for small and medium businesses that offers SMB-specific functions, such as workflow and payroll management, in addition to conventional banking functions such as viewing relationship summary and creating fund transfers• High Performance computing (HPC)-based stress-testing accelerator launched in 2012• Tool for regulatory reporting and compliance monitoring, launched in 2011• PayCenter: Centralized payments tool• Wipro – Opera Wealth Management: Opera’s Wealth Management platform that leverages big data to create actionable business insights (launched in 2013)• Regulatory reporting and compliance monitoring platform: Centralized employee and central data repository-based regulatory reporting engine (launched in 2012)• Payments Process Resilience and Remediation Methodology: Methodology to assess bank’s payments infrastructure and identify operational and architectural improvement opportunities (launched in 2012)• Wipro payments hub solution: Solution enables banks to handle growing electronic payments volumes, support real-time payments, and meet evolving compliance requirements (launched in 2012)• Wipro alternate payment channel solutions: Solution for alternate payment channels such as NFC and Bill Pay on mobile (launched in 2012)• Wipro real-time payments Solutions: Launched in 2012• Cards processing solution: Launched in 2012

Source: Everest Group (2015)

Wipro | Banking ITO profile (page 5 of 10)

AO domain investments

Proprietary solutions (representative list) (continued)

Line of business	Solutions
Banking (continued)	<ul style="list-style-type: none">• Customer onboarding & analytics and merchant acquisition & analytics solutions launched for cards in 2012• Wipro eMO – Mortgage Origination Platform for Mobile: (launched in 2012)• Wipro SWIFT compliance solution: Quality Assurance (QA) solution for SWIFT compliance (launched in 2012)• Model-Based Testing for Banks (launched in 2012)• Wipro Business Process Simplification Reference Model for Banks (launched in 2012)• FATCA Solution for Banks (launched in 2012)• Legal Entity Identifier for Banks (launched in 2012)• M&A Integration Solution for Banks (launched in 2012)• Legacy Modernization for Banks (launched in 2012)• Financial Planning platform for Banks (launched in 2012)• Wipro Trade Finance Solution (launched in 2012)• Reference Architecture for Banks (launched in 2012)• Cyber Risk Management Solution for Banks (launched in 2012)• Banking Infrastructure Assessment Methodologies – per unit / cost analysis (launched in 2012)• ServiceNXT (launched in 2012)• DC Consolidation for Banks (launched in 2012)• Cyber Security Solution for Banks (launched in 2012)• Accelerators for Oracle FLEXCUBE<ul style="list-style-type: none">– Deployment: Framework to automate deployment process– Test tool: Smoke test tool that checks and reports if all the interface services are running– Migration: FLEXCUBE Data Migration Tool kit and approach– Test repository: Pre-built FLEXCUBE test case repository– Interfaces: Generic interfaces built around FLEXCUBE to help with direct table/view access

Source: Everest Group (2015)

Wipro | Banking ITO profile (page 6 of 10)

AO domain investments

Proprietary solutions (representative list) (continued)

Line of business	Solutions
Banking (continued)	<ul style="list-style-type: none">• Accelerators for Temenos T24<ul style="list-style-type: none">– T24 Interface Data Manager (TIDM): Configurable interface development tool that simplifies data download from T24 into multiple external systems– T24 Pre & Post Close of Business Management (TPCM): Helps reduce manual intervention and time to complete the end of day processing– T24 Area Analysing Tool (TAAT): Impact analyzer tool that can be used to report customizations prior to an upgrade– T24 Bulk Deployment Tool (TBDT): For deployment of multiple packages across environments– T24 Configuration Management Tool (TCMT): For Configuration and release management– T24 Data Migration Tool (TDMT): Enables automatic data migration from legacy systems into T24– T24 Environment Comparison Tool (TECT): Tool to analyze two similar T24 environments and identify data and object code differences• Accelerators for Misys BankMaster<ul style="list-style-type: none">– Misys BMRS Data Fix Tool: Data correction tool (for incorrect schedule, capital outstanding or arrears history)– Misys Integrated Release Assistant (MIRA): Automates several delivery tasks and ensures complete impact analysis– Misys Knowledge Base for Batch Support (KNOBBS): Tool to identify the data impact for any BMRS process

Source: Everest Group (2015)

Wipro | Banking ITO profile (page 7 of 10)

AO domain investments

Acquisitions (representative list)

Target	Date	Capabilities added
Opus (United States)	2013	Acquisition expands Wipro's capability in the high-end mortgage BPO segment, while bringing capability for a platform-based risk management offering
Opera Solutions (United States)	2013	Wipro has acquired minority stake in Opera Solutions, which has enhanced Wipro's capabilities for predictive big data analytics
Promax Applications Group (Australia)	2012	The acquisition strengthened Wipro's capabilities in management, analytics, and optimization of trade promotions across various industries including financial services
Citi Technology Services (India)	2008	Expanded Wipro's account penetration in Citigroup by enabling Wipro to provide ADM and infrastructure services for Citigroup
Gallagher Solutions (United States)	2008	Expanded Wipro's mortgage solutions portfolio through the acquisition of Gallagher's NetOxygen – mortgage origination application – and strengthened Wipro's presence among major banking clients across United States and Australia
Mpower (United States)	2005	Expanded Wipro's capabilities in payments processing for credit cards

Key alliances (representative list)

Alliance partner	Purpose of alliance
ServiceNow	Partnered with ServiceNow in 2012 to launch an integrated IT service management solution
Kony	Formed alliance in 2011 for mobility solutions; alliance offers an integrated portfolio of mobile application technology and services to enterprise customers

Source: Everest Group (2015)

Wipro | Banking ITO profile (page 8 of 10)

AO domain investments

Key alliances (representative list) (continued)

Alliance partner	Purpose of alliance
CD Group	Strategic alliance for risk management solutions formed in 2011
Alaric	Strategic alliance for ATM management solutions, launched in 2011
Bottomline Technologies	Strategic agreement for front-office payment and invoice automation software
Nucleus	Alliance with the Indian banking technology product vendor, Nucleus, that offers “Finone” lending solution
Volante Technologies	Provides an integrated environment for financial message transformation and validation services
D+H	Alliance with the Canadian banking technology product vendor, D+H that offers platforms in the areas of mortgages, student lending, and commercial lending
Temenos	Alliance to deliver core banking on an Application Service Provider (ASP) model to European banks
SmartStream	Alliance for Transaction Lifecycle Management (TLM) and reconciliations
Technology alliances	Partnerships in BFSI and other industry verticals with Computer Associates, Getronics, Informatica, Interwoven, PegaSystems, Progress, Siebel, Systar, Sterling Commerce, SWIFT, and TIBCO
AxiomSL	Alliance for regulatory reporting solution
(Several)	Alliance with SAS, Oracle, IBM, Actimize, FICO for risk and compliance applications
(Several)	Alliance for core banking solutions with Oracle FLEXCUBE, Temenos T24, SAP IS Banking, and Misys
(Several)	General enterprise-level alliances with vendors such as EMC, HP, IBM, Microsoft, Sun, and SAP, for solutions across BFSI and other industry verticals. Alliance with SAS, Oracle, IBM, Actimize, and FICO for risk and compliance applications

Source: Everest Group (2015)

Wipro | Banking ITO profile (page 9 of 10)

Banking 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
Allied Irish Bank	January 2015	150	5	IO	Infrastructure Management Services (IMS), datacentre and hosting services to AIB over five years
Large state-owned bank in India	April 2014	N/A	N/A	Both	Provide enterprise risk management for the bank and its subsidiaries and provide software, hardware, infrastructure management, and application services
Large global bank	April 2014	N/A	N/A	AO	Strategic partnership to provide quality assurance and automation services
Unknown client	October 2013	N/A	N/A	AO	Preferred partner to provide application development, support, and testing services across multiple lines of business
Citigroup	June 2013	500	5	Both	ADM and infrastructure services for Citigroup's global operations
Emirates NBD	March 2013	N/A	3	IO	End-to-end service transition and transformational services to maintain IT systems through a managed services framework
NABARD	July 2012	N/A	5	AO	Implementation of core banking solutions for five co-operative banks

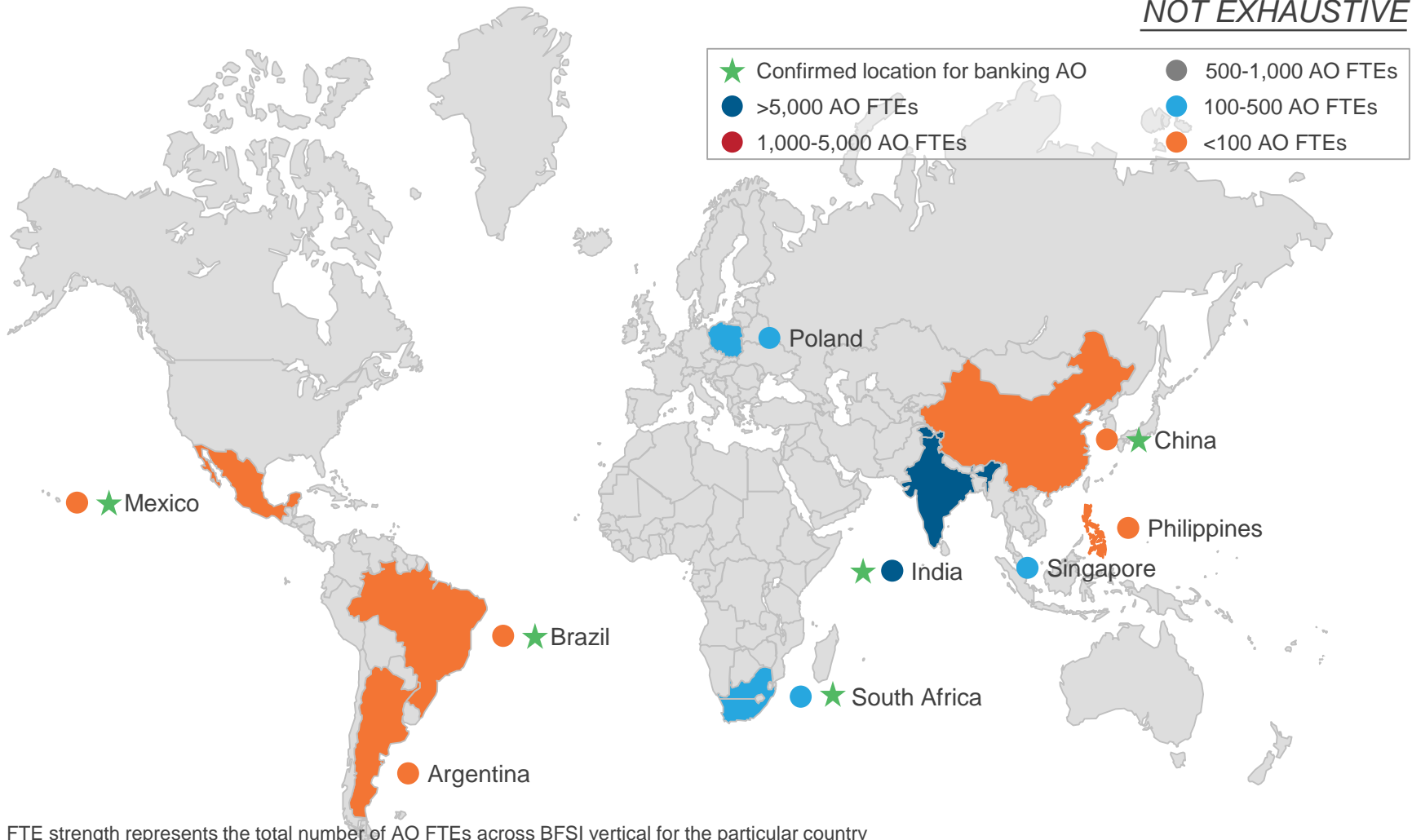
¹ Publicly-announced banking ITO transactions during 2012-2015

Source: Everest Group (2015); Transaction Intelligence database

Wipro | Banking ITO profile (page 10 of 10)

Key BFSI offshore AO delivery locations

NOT EXHAUSTIVE

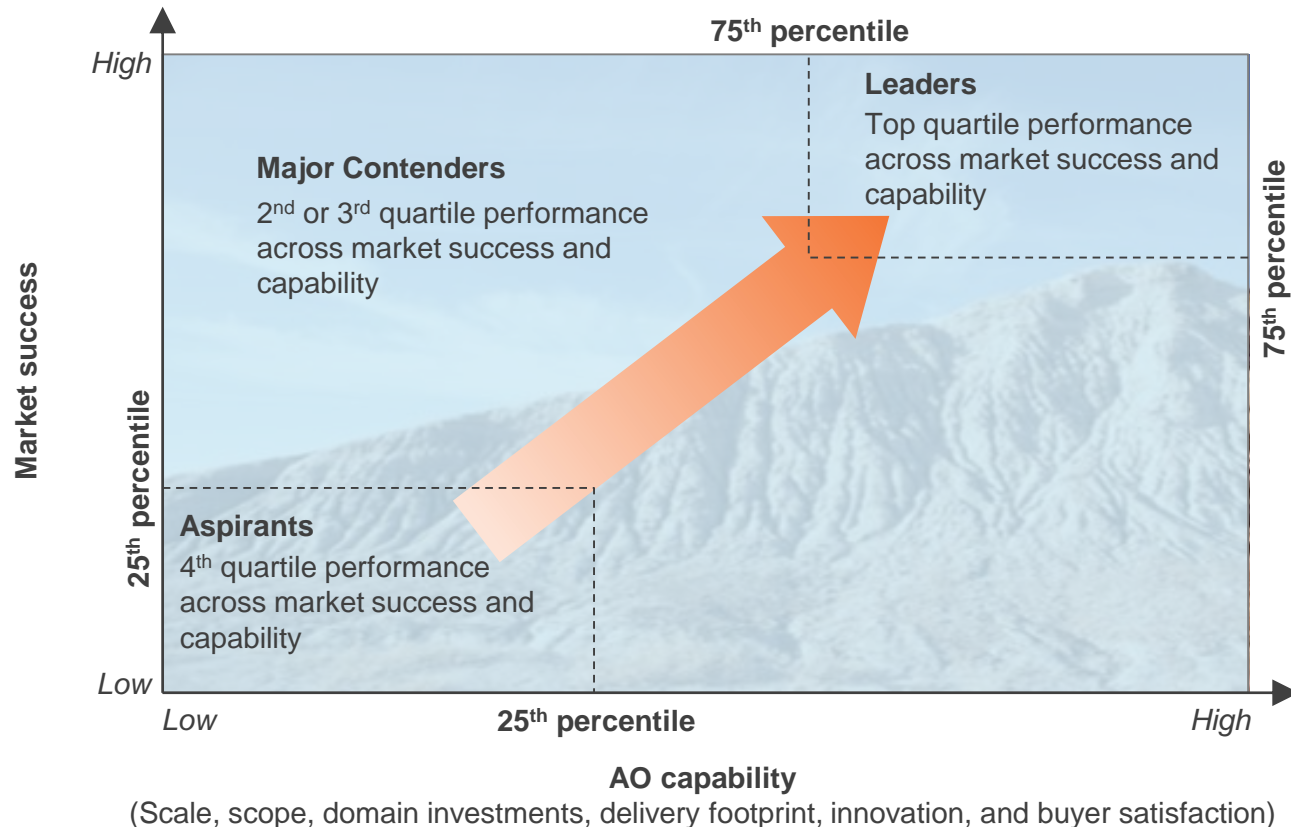


Note: FTE strength represents the total number of AO FTEs across BFSI vertical for the particular country
Source: Everest Group (2015)

Appendix

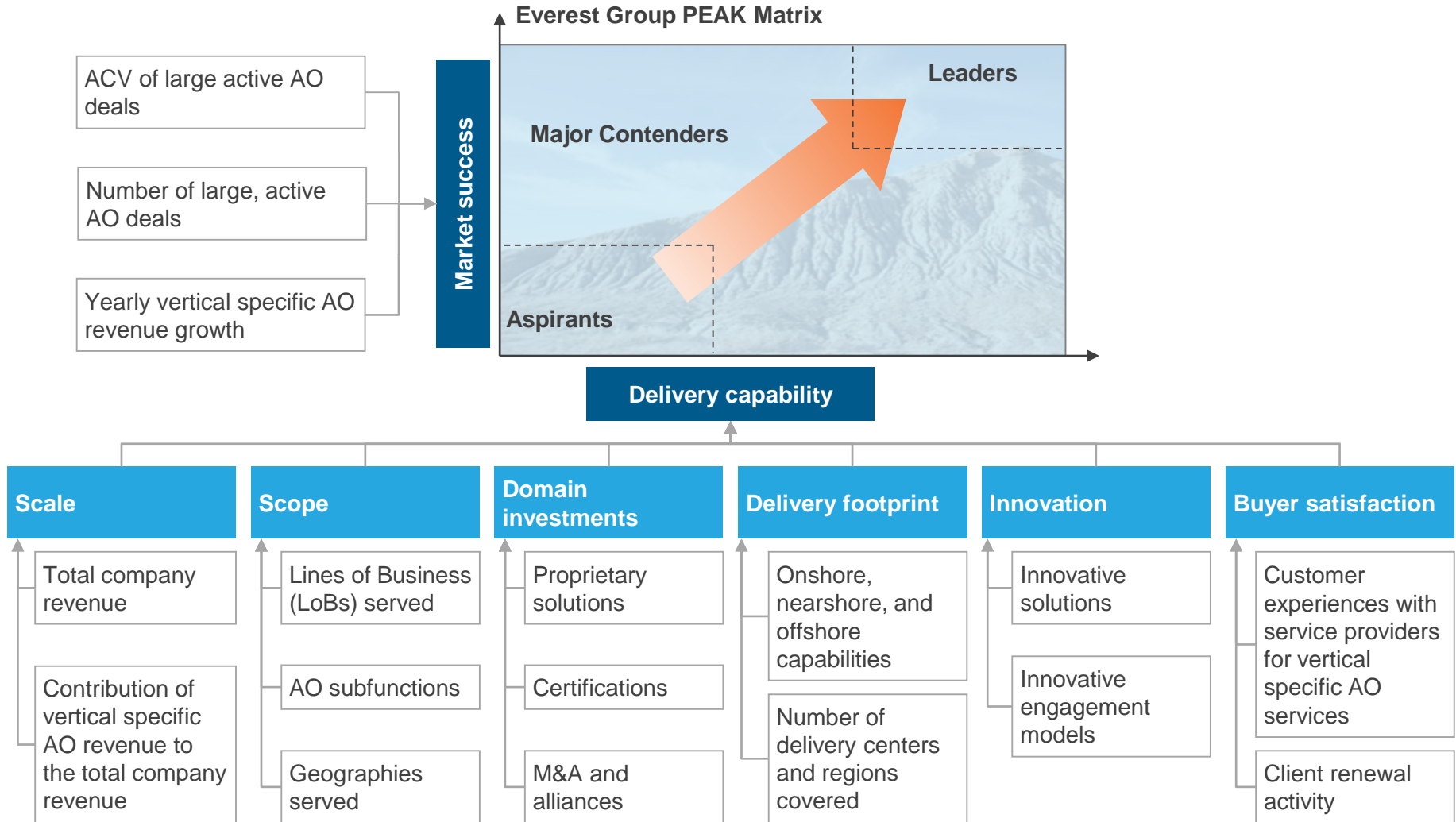
The service providers were mapped on Everest Group's Performance | Experience | Ability | Knowledge (PEAK) Matrix

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**



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.

Dallas (Headquarters)

info@everestgrp.com
+1-214-451-3000

New York

info@everestgrp.com
+1-646-805-4000

Toronto

canada@everestgrp.com
+1-647-557-3475

London

unitedkingdom@everestgrp.com
+44-207-129-1318

Delhi

india@everestgrp.com
+91-124-284-1000

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