



Know Your Customer-Anti Money Laundering (KYC-AML) BPO – State of the Market with Services PEAK Matrix™ Assessment 2018 SELECT SLIDES

Banking and Financial Services (BFS) – Business Process Outsourcing (BPO)

Market Report – June 2018

Everest Group®

PEAK
MATRIX™

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Summary of key messages (page 1 of 2)

Everest Group classifies 19 KYC-AML BPO service providers on the Everest Group PEAK Matrix into three categories of Leaders, Major Contenders, and Aspirants

Leaders

Genpact, TCS, and Wipro

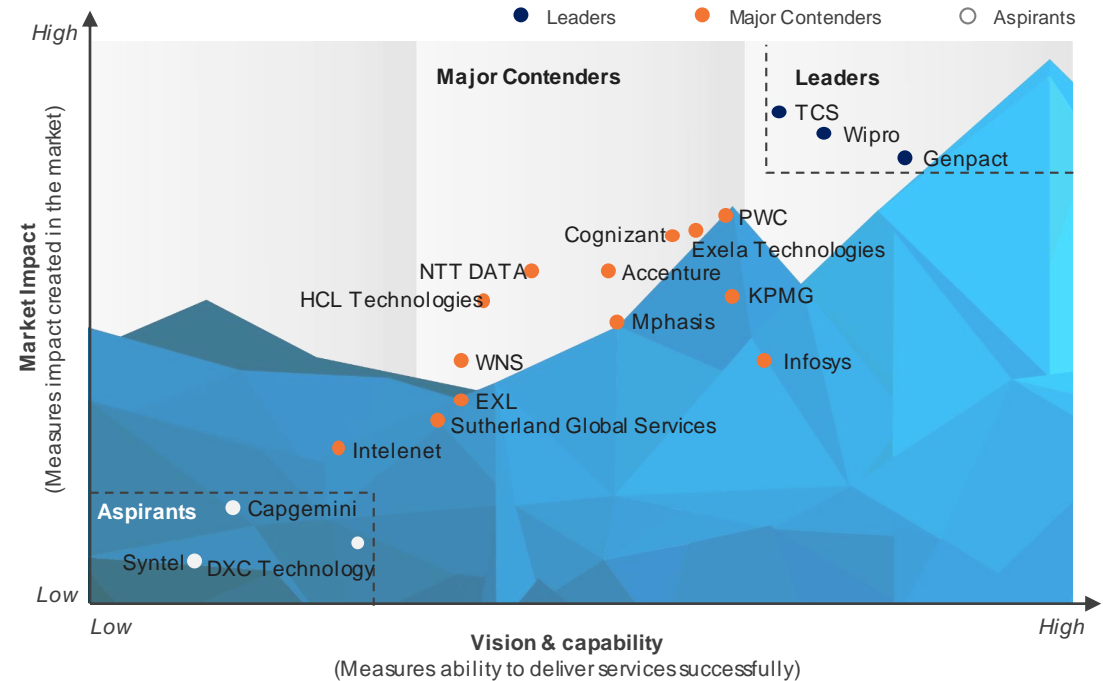
Major Contenders

Accenture, Cognizant, Exela Technologies, EXL, HCL Technologies, Infosys, Intelenet, KPMG, Mphasis, NTT Data, PwC, Sutherland Global Services, and WNS

Aspirants

Capgemini, DXC technology, and Syntel

Everest Group KYC-AML BPO – State of the Market with Services PEAK Matrix™ Assessment 2018



- 1 PEAK Matrix specific to services KYC-AML BPO sector
- 2 Assessment for Accenture, Capgemini, DXC Technology, Intelenet, KPMG, PwC, Sutherland and Syntel 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 KYC-AML BPO buyers

Summary of key messages (page 2 of 2)



The KYC-AML BPO market represents significant opportunity for service providers to create lasting relations with buyers through domain expertise and technological sophistication



Most of the banks do not want to expose themselves to the risk of breaching any compliance norms that can lead to huge fines and reputational damages



The stringent regulatory compliance environment has led to an increase in outsourcing of the compliance activities



Buyers are increasingly looking for proactive service providers who have immense domain expertise in the KYC-AML segment



Analytics capabilities are gaining importance for banks and other FIs as the money laundering and fraud activities become more sophisticated

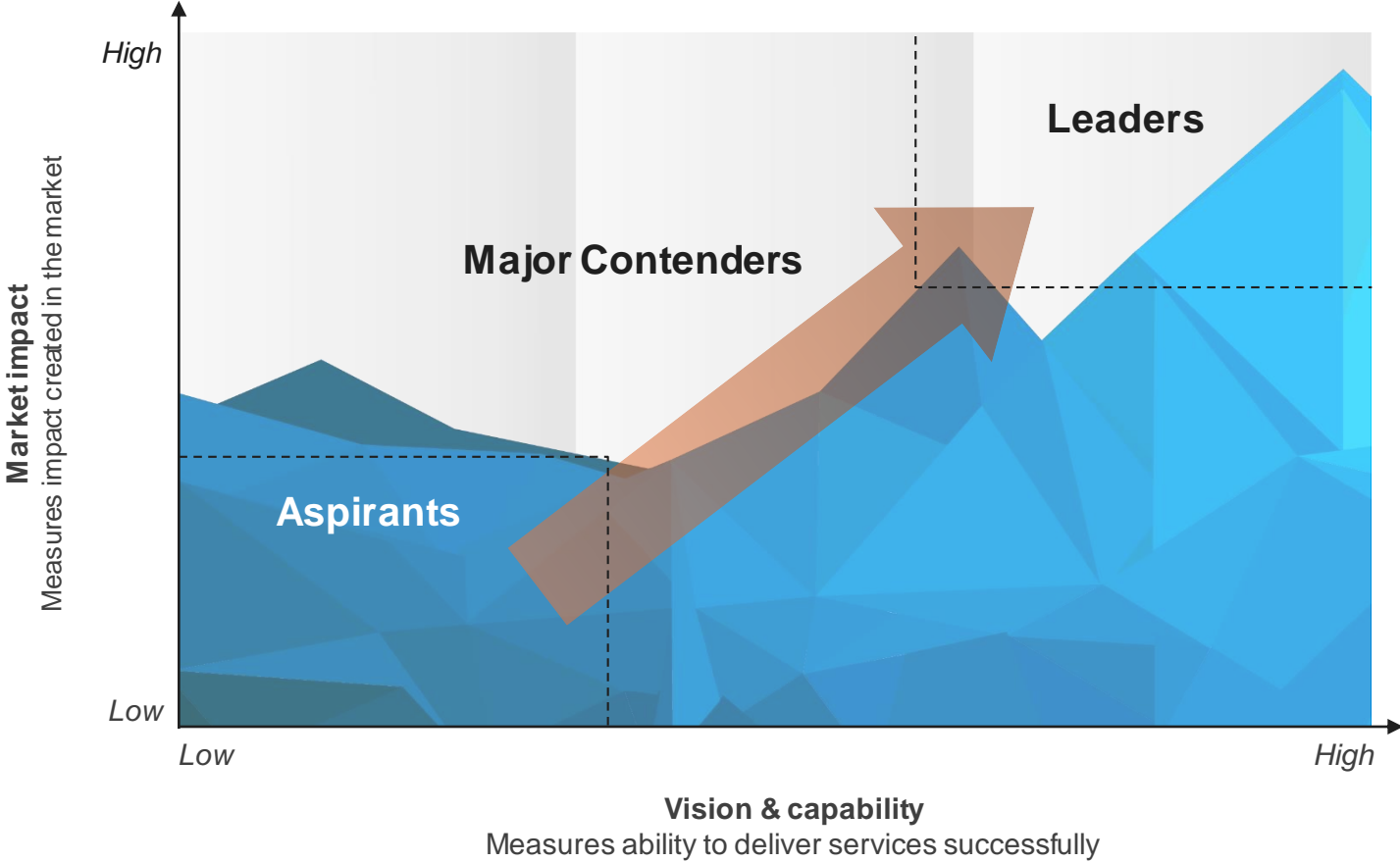
Everest Group PEAK Matrix™ for KYC-AML BPO – summary

Everest Group classifies 19 KYC-AML BPO service providers on the Everest Group PEAK Matrix into the three categories of Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework to assess the absolute market success and overall capability of service providers

- **Leaders:** There are three service providers in the Leaders category – Genpact, TCS, and Wipro
- **Major Contenders:** The Major Contenders category has 13 service providers – Accenture, Cognizant, Exela Technologies, EXL, HCL Technologies, Infosys, Intelenet, KPMG, Mphasis, NTT Data, PwC, Sutherland Global Services, and WNS
- **Aspirants:** Capgemini, DXC Technology, and Syntel are Aspirants on the PEAK Matrix for KYC-AML BPO

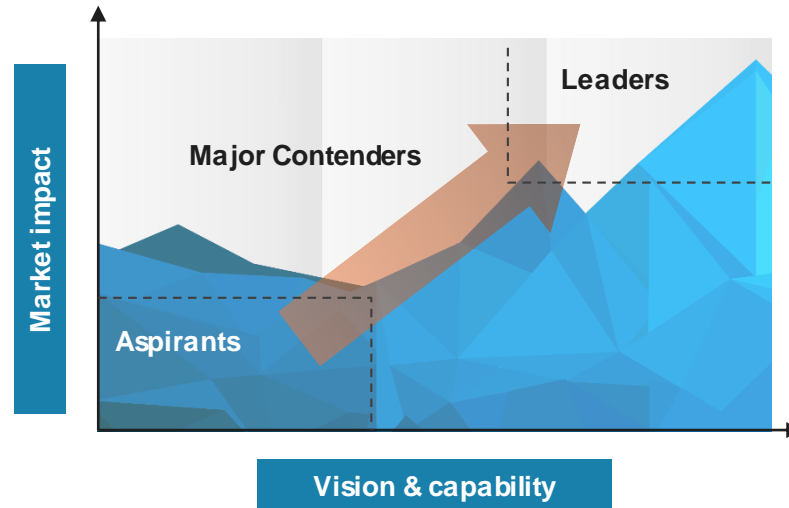
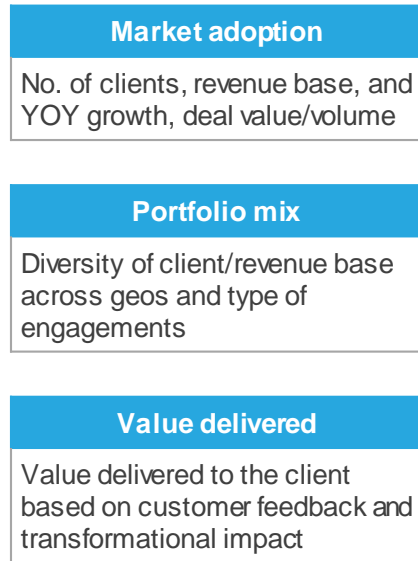
Everest Group PEAK Matrix™ is a proprietary framework for assessment of market impact and vision & capability

Everest Group PEAK Matrix

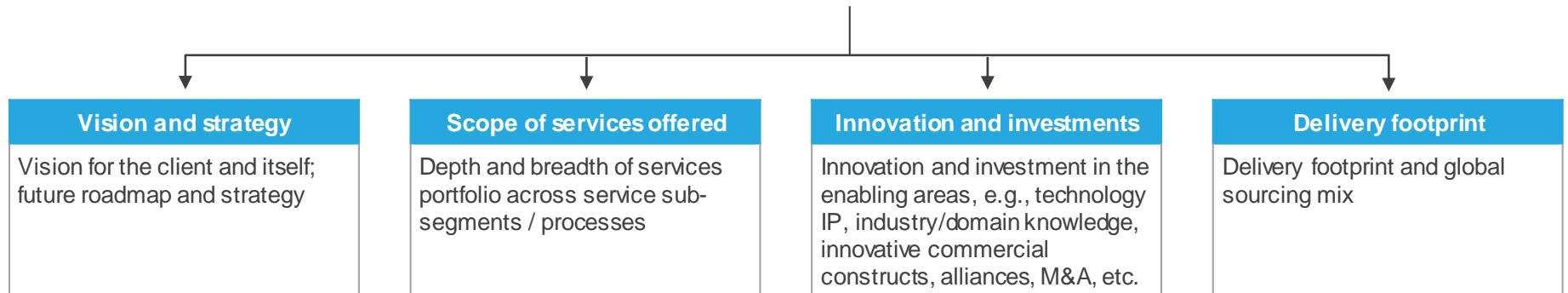


Services PEAK Matrix™ evaluation dimensions

Measures impact created in the market – captured through three subdimensions



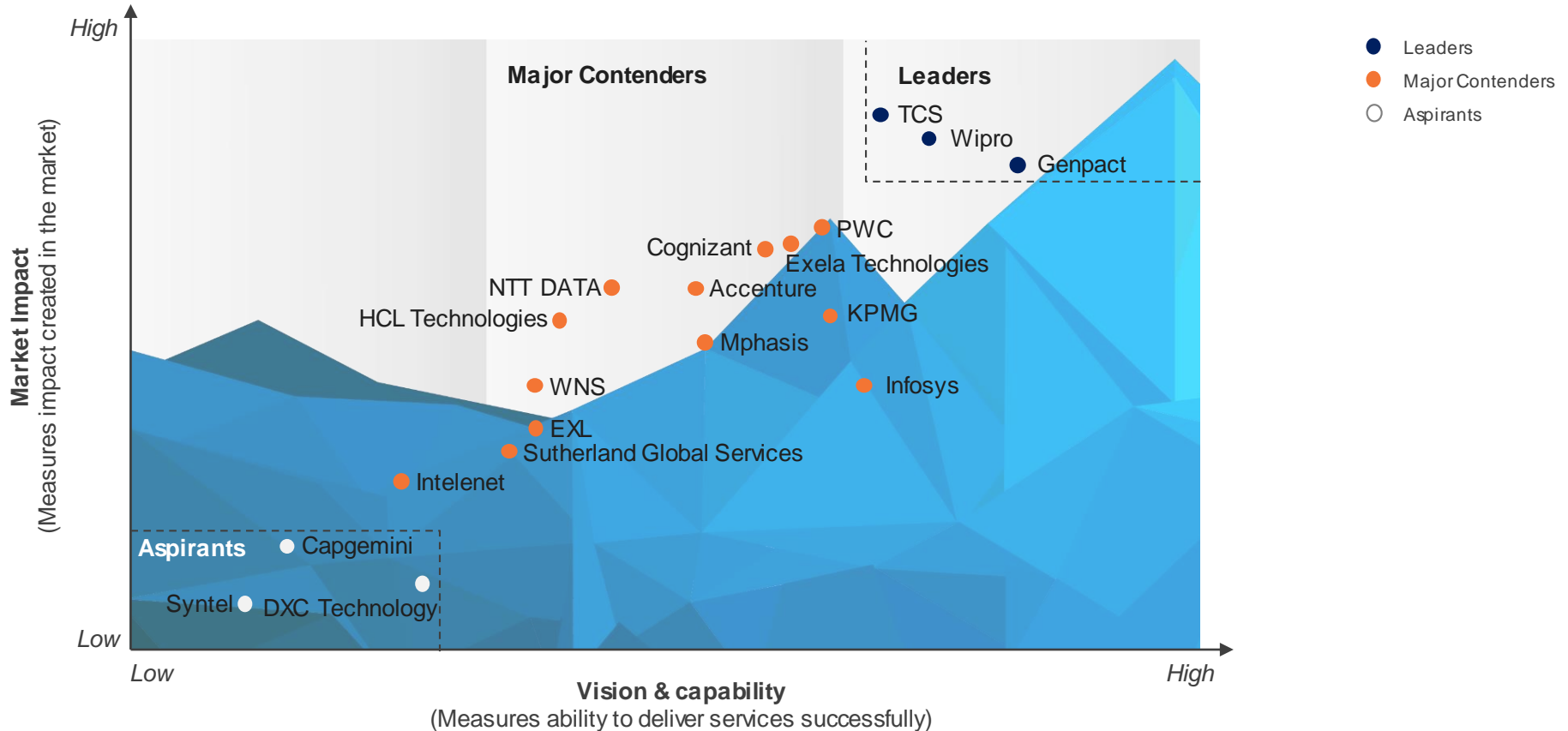
Measures ability to deliver services successfully. This is captured through four subdimensions



Everest Group PEAK Matrix™

KYC-AML BPO – State of the Market with Services PEAK Matrix™ Assessment 2018

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1 PEAK Matrix specific to services KYC-AML BPO sector

2 Assessment for Accenture, Capgemini, DXC Technology, Intelenet, KPMG, PwC, Sutherland and Syntel 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 KYC-AML BPO buyers

Summary dashboard | Market impact and vision & capability assessment of providers for KYC-AML BPO 2018

Leaders

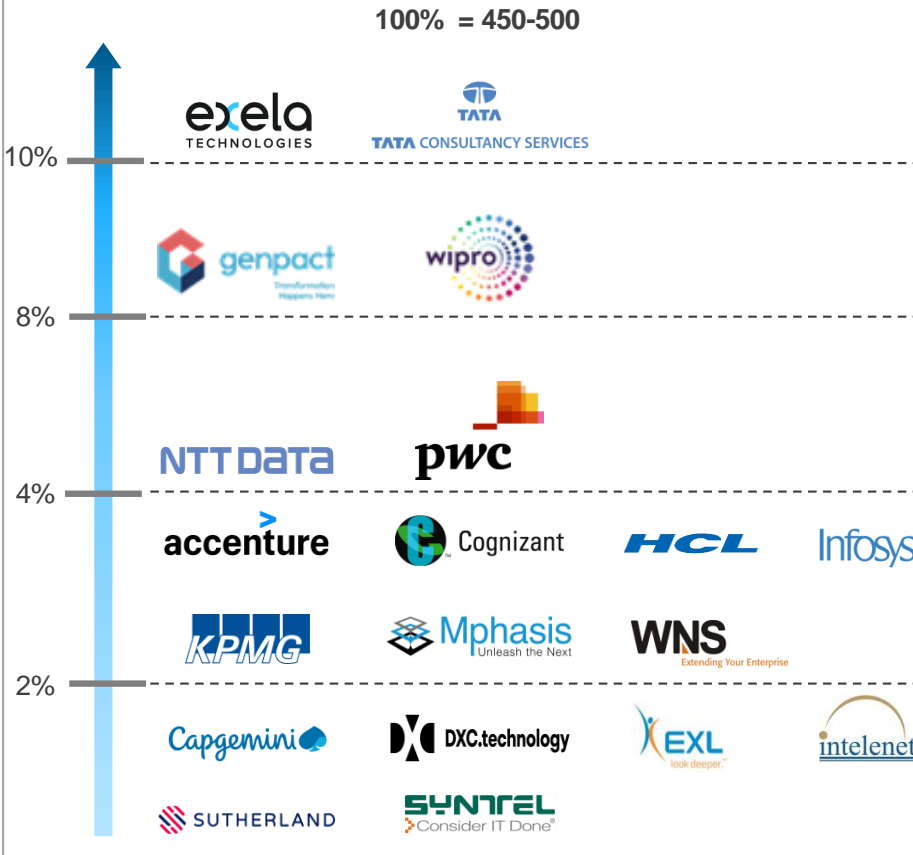
Measure of capability:  High  Low

Service provider	Market impact				Vision & capability				
	Market adoption	Portfolio mix	Value delivered ¹	Overall	Scope of services offered	Innovation and investments	Delivery footprint	Vision and strategy	Overall
Genpact									
TCS									
Wipro									

¹ Value delivered score and overall PEAK matrix positioning adversely impacted for those service providers who did not provide adequate information
 Note: For a detailed service provider profile, please refer to the forthcoming report: KYC-AML BPO – Service Provider Profile Compendium 2018

TCS and Exela Technologies lead the KYC-AML BPO market in revenue terms; Cognizant, EXL, and Mphasis have seen highest YOY growth

Service provider market share in KYC-AML BPO
By revenue in US\$ million, 2017





Growth of KYC-AML BPO revenue
YoY growth in percentage



Sample size: Based on the responses of 11 KYC-AML BPO service providers and Everest Group estimates of 8 service providers

Everest Group's remark on Service Providers (page 4 of 10)

Provider	Strengths	Areas of improvement
	<ul style="list-style-type: none">• One of the leading providers in KYC-AML BPO by scale, Genpact secured the title of Leader in the KYC-AML BPO PEAK Matrix• Genpact's partnerships with a leading consulting player in the risk & compliance space and several large platform providers reflects the kind of investments made in this segment• Moreover, Genpact's recent acquisitions of Rage Frameworks and TandemSeven further contribute to their capability on the artificial intelligence and user-experience side	<ul style="list-style-type: none">• While heavy offshore delivery enables Genpact to keep its costs down and deliver better on some of the buyers' basic drivers for outsourcing, investment in onshore talent can help provide higher degree of comfort that banks seek while sourcing AML pieces• Buyers expect Genpact to bring more innovation and thereby, provide a higher degree of value addition in their services
	<ul style="list-style-type: none">• HCL Technologies has been able to target a diverse range of buyers ranging from small-sized to medium- and large-sized banks• Investments made by HCL Technologies on the technology side (such as development of its NLP-based AI product, "Exacto" that enables automated sourcing of KYC attribute information and collation of evidentiary information through unstructured data sources) and investments in onboarding AML experts will help HCL Technologies in further penetrating the KYC-AML market	<ul style="list-style-type: none">• HCL Technologies' KYC-AML BPO business is mostly centered around the UK and Continental Europe; it can look towards increasing its footprint in other regions as well• While HCL Technologies has been able to achieve massive growth in its overall banking BPO business owing to the recent acquisition of Urban Fulfillment Services (UFS), most of this inorganic growth is in the lending area, which does not contribute much to the growth of KYC-AML BPO portfolio. HCL Technologies still needs to explore more opportunities for replicating a similar success story on the KYC-AML side