

TRANSFORMING BANKING

Unlocking the Potential
of Enterprise Solutions



HCL AXON ENTERPRISE APPLICATION FINANCIAL SERVICES PRACTICE: BANKING



HCL AXON Banking Services

HCL AXON's banking practice is wholly focused upon the future of retail banking, corporate banking, and investment banking with a particular focus on the alignment of appropriate SAP® solutions to meet the needs of our clients.

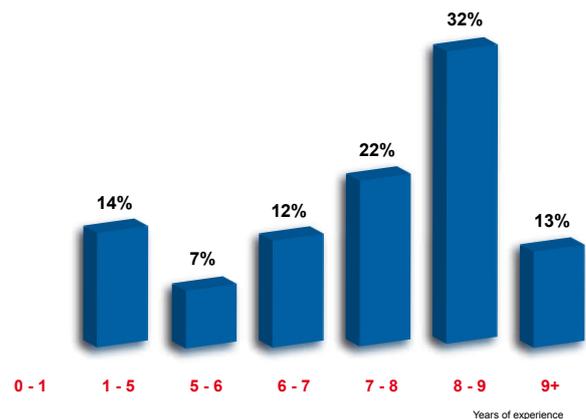
HCL AXON clients include some of the biggest names in banking, including Deutsche Bank, Lloyds Banking Group, Barclays Bank, EBRD, Nationwide, and Standard Bank of South Africa. Our service structure allows us to deliver expertise from a global perspective across the EMEA, Asia-Pacific-Japan (APJ), and Americas regions.

HCL AXON continues to have a strong dedicated SAP enabled transformation practice. After fifteen years of collaboration with SAP HCL AXON is recognized globally as one of the largest and best SAP service providers. Our reputation for providing the most experienced consultants remains unchallenged.

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“Relative to its competitors, the average HCL consultant has more SAP product and implementation project experience”

Gartner



“Outstanding commitment and drive”

Program Director
Tier 1 Global Bank

HCL AXON's practice specializes in integrating, supporting and evolving SAP applications for banks. Over the past 15 years through the use of SAP, we have helped clients within the financial sector deliver operational improvements, ensure they are better able to meet customers raising expectations, provide improved tools for managing capital and risks and ensure employees have the tools and support in place to improve performance.

Financial Services Clients include:



HCL AXON is recognized globally as one of the largest and best SAP service providers. Our reputation for providing the most experienced consultants remains unchallenged

“ I’ve never seen anything like it as far as projects go. The guys were here 10 weekends in a row to make this go-live happen ”

Vice President Delivery
Tier 1 Global Bank

HCL AXON BANKING CAPABILITY

Through working with banks during the last 15 years HCL AXON have gained firsthand knowledge of market changes and challenges impacting banks today. Ensuring that our SAP banking capability is structured to reflect current issues and provide specialist knowledge in the areas of:

- Transactional Banking
- Financial Transformation
- Banking Analytics
- HR Transformation
- Financial Asset and Risk Management
- Customer Relations Management
- IFRS Regulatory Reporting
- Technology and integration.

Transactional Banking

SAP Services for Banking 7.0 is replacing many banking solutions represented by piecemeal silo components within a banking landscape. SAP Banking provides an integrated platform which is critical to providing transparency, simplicity and agility.

Our experts offer significant advantages in core banking implementations. We have amassed some of the most experienced architects who not only know SAP Core Banking but also know bank processes. They are often the people SAP themselves turn to when experts are needed. In fact HCL AXON consultants were involved in helping to develop certain components of the SAP Banking Solution.

HCL AXON have augmented their capacity with a Center of Excellence driven to augment resource capacity in core banking. This has proven successful for banks such as Standard Bank of South Africa, where an entire team of our Center of Excellence resources are presently on-site assisting with the core banking implementation.

What we've delivered to our banking clients through SAP...

| | | | |
|---|--|---|--|
| Transactional Banking Developed a two-way real time communication for a bank enabling its customers to send their banking requirements to the bank and receive confirmations back | Financial Transformation Re-engineered operational, commercial and organizational change for several financial service clients Architected multiple solutions resulting in reduced operational cost yet providing higher quality financial service | Bank Analytics Transformed operational and global reporting for various financial service organizations working from the grass roots of reporting, by reformulating data models, homogenizing data and then ensuring efficient and timely modes of delivery | HR Transformation Helped address organizational issues such as formal organization design, capability building, cultural change, and talent management |
| Financial Asset and Risk Compliance Designed & implemented corporate risk management functions for leading organizations resulting in better returns on assets yet lower maintenance costs Helped banks to ensure they comply with Basel II Accord | Customer Relationship Management Implemented multi-channel SAP e-Commerce, e-Service and IVR applications solutions in 50 call centers supporting 4000+ call center agents and dramatically improving predicted customer analytics Won the best SAP CRM project award | IFRS Regulatory Reporting Architected and delivered solutions, flexible to meet any future changes easily, to some of the largest banks in Europe to provide them a simplified route to ensuring compliance with IFRS regulations | Technology and Integration Helped several financial service organizations move to new single platform technology and enabled off shoring and globalization |

Banking Analytics

HCL AXON understands that in banking, a holistic approach to business intelligence is needed, covering the information process from data management to information delivery.

HCL AXON guides customers through the myriad of business intelligence tools, ensuring that all users, from the high-end analyst to the casual business user, have the appropriate means of access to the information they need.

We understand that efficient data models are the key for success in this new ESOA banking architecture. Especially in Banking where IT services make up to 30% of the cost of business, ESOA has never been a more real topic.

Through careful business analysis in the preliminary stages, HCL AXON architects can help you devise and deliver a routemap for transition which will target your highest benefits first. HCL AXON's Business Intelligence capability includes:

- 130+ SAP EPM, GRC, Business Intelligence and IM Consultants
- UK's 1st SAP Business Warehouse Implementation
- Europe's 1st SAP SEM Implementation
- Largest Global EPM capability in SAP Business Objects new generation toolsets
- EMEA's first Special Expertise Partner for Enterprise Performance Management suite.

Financial Transformation

HCL AXON has helped over 30 financial service clients to re-engineer operational, commercial, and organizational change and has architected over 1150 SAP solutions resulting in reduced operational cost which provide sustainable ways of working to provide higher quality financial services.

Over 300 finance consultants form part of our global EAS capability many of which hold accountancy qualifications. Our expertise for delivering successful transformation programs is evident by the recognition we have received.

- Consistent award winners: Pinnacle, European SAP Quality, Best Upgrade, eSOA
- SAP "Partner of the Year" 4 out of the last 6 years
- Won the European Quality Project Awards in 3 of the last 5 years
- Multiple HCL SAP Transformation projects recognized as Computer World Global Laureates
- Distinguished Partner in NetWeaver award for 2006
- Management Consultancies Association – Performance Improvement Consultant of the Year 2008
- Top ICT Employer in the UK for two consecutive years.

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HR Transformation

HCL AXON delivers Human Capital Transformation solutions which enable organizations to enhance the performance of their workforce to meet business objectives. Our HR Transformation programs typically encompass Strategic HR, Organizational Modeling, Operational HR Processes and Technology.

We offer services ranging from Human Capital Management strategy development to the implementation of technology solutions. All of our services focus on the enablement of benefit both within HR Payroll functions and how HR enables the whole organization to meet its objectives.

Thus we help in the design and automation of the core and support processes of Human Resource, which has a significant impact on an organization's bottom-line and productivity and have successfully executed many global HR Transformation projects across all industry sectors in more than 40 countries. HCL AXON is continually investing in the products and services offered by our HR capability, these include:

- HCL AXON are building iCREW to manage work management in unionized environments
- RapidHR – Pre-configured HCM solution
- Infrastructure and resources to support over 120,000 users.

Customer Relations Management

With customer expectations increasing Banking institutions recognize the need to provide improved customer-facing processes and successfully executing a customer-facing business strategy. HCL AXON has vast experience in SAP Customer Relationship Management (SAP CRM) solutions across industries. We have successfully delivered over 40 CRM projects including some of the largest and most complex CRM projects in the world. In fact the delivery of a comprehensive SAP CRM solution at the Bank of Islam resulted in the project being awarded the Best SAP-CRM Project in 2007.

Regulatory Reporting

Banking institutions are challenged to comply with complex and evolving IFRS reporting requirements. Our experts have architected several solutions for organizations within the financial sector, leveraging the SAP GL, Bank Analyzer and Business Intelligence components. Including helping banks meet IFRS reporting requirements and comply with the Basel II Accord.

Our solutions are based on an architecture that decouples the accounting preparation from the core banking applications, offers a central layer for standardizing accounting processes for the different core banking applications enables simplification of the operational systems landscape and provides an easier route to compliance with future regulatory requirements. HCL AXON has over 300 finance consultants within our global EAS capability many of which holds accountancy qualifications or has been directly involved in delivering solutions to meet IFRS reporting requirements.

HCL AXON BANKING SUCCESSES

| SOLUTION | CLIENT | DESCRIPTION |
|-------------------------------------|--|---|
| Financial Transformation |  European Bank for Reconstruction and Development | 10 year relationship with multiple implementations & application support for Finance, CO, Materials Management, Human Capital Management, Business Intelligence and specialist cost recovery solution. Our engagement with the European Bank for Reconstruction and Development has involved upgrades, delivering a comprehensive cash forecasting solution across all cash movements including treasury products. |
| Financial Transformation |  LLOYDS BANKING GROUP | Currently developing an end state SAP architecture for the Finance Transformation program. Aimed at: <ul style="list-style-type: none"> Improving control delivered through standardized data model, technology integration and an enhanced chart of accounts. Providing access to new capability, including profit center structures and multi currency functionality Delivering standardized GL environment for LBG, enabling legacy decommissioning and future acquisition integration. |
| Reporting and Analytics |  Deutsche Bank | Implementation of Global Financial Regulatory Reporting: <ul style="list-style-type: none"> Implementation of Business Intelligence suite across 5 instances of SAP R/3 Design of global risk integrated regulatory reporting model Global Capital Markets Business Intelligence Information System Roll out and design of Regulatory reporting thin ledger concept |
| Reporting and Analytics |  WOOLWICH | Implementation of global and operational solution for performance management and reporting using Business Intelligence and Strategic Enterprise Management. |
| Financial Asset and Risk Management |  AIA | Business transformation of investment accounting process and associated technology implementation for 41 legal entities in 15 countries, beginning with the headquarters in Hong Kong. Achieved through the implementation of: <ul style="list-style-type: none"> SAP Insurance – Financial Asset Management SAP FICO Integration SAP Business Intelligence 3rd Party System Integration. |
| Transactional Banking |  Standard Bank | Involved in delivery and support of SAP Core Banking Services 7.0 with web based access with the objective of using an infrastructure built on standardized, modular software functions within a service-oriented architecture. |
| Transactional Banking |  Commonwealth Bank | Involved in re-engineering the mortgage and loans processes resulting in reducing mortgage processing time from 27 to 3 days, number of process steps reduced from 27 to 9. Customer loss reduced from 53% to 29%. |
| Regulatory Reporting |  Deutsche Bank | <ul style="list-style-type: none"> Implementation of Global Financial Regulatory Reporting Design of global risk integrated regulatory reporting model IFRS 32 and 39 implementation and risk analysis Global Capital Markets Business Intelligence Information System Roll out and design of regulatory reporting thin ledger concept |
| Regulatory Reporting |  European Bank for Reconstruction and Development | <ul style="list-style-type: none"> Compliance with Basel II Compliance with IFRS 15 reporting Implementation of Global Financial Regulatory Reporting |
| CRM |  BANK ISLAM | <ul style="list-style-type: none"> 3-phase implementation including GL, AP, AR, sales force automation, customer interaction and service management and campaign management Best SAP-CRM Project Award 2007 The solution has allowed the bank to focus from the point of view of their customer, e.g.: <ul style="list-style-type: none"> Products offered to customers based on their preferences Customers contacted at their preferred times through their preferred channels 360-degree view of each customer and the sales opportunity provided First-contact resolution rate improved |
| CRM |  BARCLAYS | The implementation of CRM resulting in: <ul style="list-style-type: none"> Improved customer experience, reduced customer retention Improved sales and create a USP Improving the speed to funds for the customer by leveraging the existing Business Banking platform Improving transparency and providing near real-time information for BASF customers Creating a self-service model for BASF customers and reducing non value added customer interaction Promote a more consistent view of the customer, and therefore a more consistent interaction with the customer |

ABOUT HCL AXON

HCL AXON is a global pioneer in leveraging leading technologies to drive value realization. Our value management approach accelerates the realization of benefits from your investments by aligning IT to your clients' required business outcomes. We provide the complete range of consulting, hosting and Business Process Outsourcing (BPO) services, necessary to define, realize and sustain real business change. Our unique delivery model integrates on-site business transformation consulting services with near-shore and off-shore technical development and support capabilities, to ensure that our clients receive the optimal solution at the right price point.

Accelerate Value

We recognize that different organizations require differing outcomes from their ERP investment, and as such we provide different solutions to best address these needs:

- **Consulting** – Design, deployment and optimization of world-class business practices
- **Transformation** – Delivering fundamentally improved levels of operational performance through the implementation of world-class ERP platforms
- **Refresh** – Rapid implementation of pre-configured industry specific business solutions based on world-class ERP platforms
- **Re-platforming** – Migrating legacy solutions onto today's leading technology platforms
- **Sustainment** – Complete heterogeneous systems applications management capabilities from remote system monitoring through to Information Technology Outsourcing (ITO)

In all of these approaches, HCL AXON combines unrivalled experience in deploying the world's leading enterprise application software with significant industry experience to ensure that our programs deliver value for our customers, faster and more cost effectively than any of our competitors.

True Global Delivery

HCL AXON operates as a single global organization allowing us to deploy consulting teams which leverage proven industry and solution best practices from our offices around the world. We fully understand that successful implementation projects require both on-site client engagement to drive process design and business change while simultaneously leveraging the significant cost and time zone benefits associated with cost effective off-shore and near-shore, round-the-clock delivery centers. Our global delivery model does not treat off-shore as an afterthought; we fully integrate our off-shore capabilities into our implementation and application management methodologies to ensure that the value of the integrated on-shore/off-shore model is fully optimized.

IT is all about certainty of outcomes

Ultimately our engagements are driven by the need to deliver certainty to our clients:

- **On Value**
- **On Time, To Budget**
- **Guaranteed Service Levels**
- **Committed Cost Reductions**
- **Realized, Cashable Benefits**
- **Achieved Business Metric Improvements**

HCL AXON regularly contracts to the delivery of specific outcomes – whether it is a reduction in a call center's average call handling time, guaranteed infrastructure management cost-reductions or a particular cost saving or performance improvement.

Financially Stable and Respected

HCL AXON is a wholly owned subsidiary of HCL Technologies, a \$6 billion global technology leader with over 90,000 employees. HCL is not only financially robust; it is also globally recognized for its revolutionary management practices which focus on trust, integrity and the empowerment of our employees. This approach, which we call Employee First, is the subject of one of the most frequently taught Harvard Business School Case Studies.



CASE STUDY DEUTSCHE BANK

Business Overview

Deutsche Bank is a world leading global financial services provider and ranked among global leaders in Corporate Banking and Securities, Transaction Banking and Asset Management and Private Wealth Management. A leader in Germany and Europe, the bank is continuously growing in North America, Asia and key emerging markets.

Scale

With more than 100,000 employees in 74 countries, Deutsche Bank offers private individuals and businesses with a full range of traditional banking products, including current accounts, deposits and loans, investment management products and business banking services.

Complexity

Deutsche Bank is evolving quickly with its expansion through targeted merger and acquisition activity and its focus on growth within the emerging markets. Within a competitive market a sharper focus on the disciplines of daily business management and a stronger commercial edge are essential with the Bank seeking to build on its continuing success in the market. Also crucial is the flexibility to quickly and seamlessly incorporate new entities, products and services within its current systems infrastructure.

Functional Scope

Delivered to Corporate and Investment Banking Divisions

- SAP SEM (BCS, BPS)
- SAP R/3 4.6 (Financials, Profitability Analysis, Project Systems, Time Management, Procurement and Sales and Distribution)
- SAP BW 2.0B

Nature of Engagement

HCL AXON has worked with the Deutsche Bank IT team with both implementations and applications management, our involvement includes:

- Program management
- Development of the Global Template
- Upgrade of SAP NetWeaver BW
- Rollout of the IFRS reporting process in 4 countries
- Applications management.

Technology

Recently upgraded to the latest versions of SAP (ERP (6.0), SAP NetWeaver, BW (7.0), EP (7.0), PI). In addition the solution includes the SAP Bank Analyzer set of applications to assess and manage risks and document scanning technology.

Business Benefits Delivered

HCL's involvement with Deutsche Bank has resulted in the following:

- Reduction in implementation and ongoing support costs through onsite offsite delivery models
- Productivity improvement in:
 - Service level based delivery
 - Tracking and monitoring of service requests
 - Operating budgets, resulting in a substantial reduction
- World-class business processes for finance, and procurement
- Global reporting solution with data from various source systems resulting in improved management information.



“ This is a testament that we can do what we set out to do. And for the icing – this extremely important project was delivered both on schedule and under budget ”

Global Head of Technology
Trust and Securities Services
Deutsche Bank

CASE STUDY EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

Business Overview

In 1991 following the collapse of communism, the European Bank for Reconstruction and Development (EBRD) was established to aid the transition from centrally planned to market economies in central and Eastern Europe and the Commonwealth of Independent States (CIS). The EBRD takes equity stakes and offers loans and technical assistance to private sector companies and to governments. As such, it manages vast amounts of capital, often in very complicated financial transactions. EBRD investments in projects can range from €5 million to €350 million. The average amount is €25 million.

Scale

Since its establishment EBRD has become the largest financial investor in its region of operations which stretches from central Europe and the Western Balkans to central Asia. In 2010 EBRD made a record number of 386 individual investments, committing an unprecedented level of financing of €9 billion. These investments resulted in the bank realizing a net profit of €1.4 billion for 2010.

Complexity

Owned by 60 shareholders (58 countries, the European Investment Bank and the European Community). The EBRD offers a wide range of financial instruments including; direct financing through loans, equities and guarantees. EBRD mobilize investment capital through donor funds. Donor programs are funded by governments and international institutions, and are managed by the EBRD.

To achieve the all-round flexibility and workflow process capability needed to handle such high levels of commerce, the EBRD opted to invest in the financial and procurement modules of SAP R/3 software. The implementation was one of the bank's largest IT projects.

Functional Scope

- Finance, controlling, assets treasury
- Investment Banking Cost Recovery
- Expenses processing
- Human Resources, Employee Self Service & Payroll
- Procurement (workflow enabled)
- Business Warehouse
- Document Imaging Strategy and Planning

Subsequently HCL AXON implemented specialist solutions for the management of Funds, SAP Bank Analyzer software for the management and reporting of risks in compliance with IFRS.

Nature of Engagement

- Program management
- Core solution design, build, test and data migration
- Change management
- Application management

Technology

Recently upgraded to the latest versions of SAP ERP (6.0), SAP NetWeaver portal (7.0) BW (7.0), and EP (7.0), PI. In addition the solution includes Bank Analyzer to assess and manage risks and document scanning technology.

Business Benefits Delivered

The long term relationship between the Bank and HCL AXON has delivered the following outcomes:

- A modern, highly scalable and highly automated core solution
- World-class business processes for general and specialist functionality such as cost recovery, management of funds and cash forecasting
- Reducing cost and complexity in the business
- Improved management information
- More effective and timely recovery of project costs.



European Bank
for Reconstruction and Development

“ The EBRD is very cost conscious and we therefore wanted to agree a scope and keep to it. Essentially HCL AXON Enterprise Application Services was prepared to share the risk involved in this project and worked with the bank to ensure the project remained within the agreed scope and timeframe ”

Marco Minchillo
IT Client Manager
European Bank for Reconstruction and Development

CASE STUDY LLOYDS BANKING GROUP

Business Overview

Lloyds Banking Group was created in 2009 with the acquisition of HBOS plc by Lloyds TSB group plc. This acquisition made Lloyds Banking Group the largest retail bank in the United Kingdom, with one in three people banking with the group. The group provides services under well known brands such as the Bank of Scotland, Halifax, Cheltenham and Gloucester, Clerical and Medical, and Scottish Widows. The Groups main business activities are retail, commercial and corporate banking, general insurance, and life, pensions and investment provision. Lloyds Banking Group also operates an international banking business with a global footprint in over 30 countries.

Scale

Lloyds Banking Group (LBG) is quoted on both the London Stock Exchange and the New York Stock Exchange and is one of the largest companies in the FTSE 100. LBG's retail business has approximately 22 million current account and savings customers. It is also the largest provider of personal loans and credit cards in the United Kingdom as well as being a leader in mortgage lending and home finance.

Complexity

Various factors contribute to the need for Lloyds Banking Group to move to a strategic architecture that will enable it to provide support and move towards profitable future growth in order to remain competitive in a challenging financial environment. These include:

- Fragmentation of systems which have been further complicated with the acquisition of HBOS
- Significant cost pressures – compounded by the requirement to deliver integration synergies
- Intensive Regulatory Reporting requirements further pressurized through additional requirements as a result of government funding.

Functional Scope

- SAP ERP Financials Solution SAP ERP Human Capital Management (SAP ERP HCM) solution
- SAP BusinessObjects Solutions/SAP NetWeaver Business Warehouse component

Nature of Engagement

HCL AXON originally assisted Lloyds TSB with the implementation of SAP ERP HCM, which subsequently lead to HCL AXON being awarded the consolidation of heritage HBOS and heritage LTSB SAP payroll systems. This was closely followed by HCL AXON being awarded the support of LBG's SAP ERP HCM and SAP Supplier Relationship Management (SAP SRM).

Our partnership continues with the current engagement through which we are assisting the Lloyds Banking Group establish an End State Target Architecture for its Financial Transformation Program (comprised of Group Financial and Risk reporting, Enhanced GL and Cost Processing, and product sub ledgers). HCL AXON's involvement in this engagement will include:

- Architecture and design for SAP software,
- Architecture road map and delivery plan development
- Definition of principles, standards, and methods
- Introduction of a team structure and operational practices to refine and extend the architecture going forward.

Technology

The SAP ERP application including SAP ERP Financials, SAP ERP HCM, SAP SRM, SAP NetWeaver BW and SAP BusinessObjects solutions.

Business Benefits Delivered

- Single integrated solution, with standardized automated processes, shifting effort from production to insight
- An integrated data model across HCM and Financials enabling transactions to be traced end-to-end
- Improved control delivered through a standardized data model, technology integration and an enhanced chart of accounts
- Transition of colleague experience from manual, spread-sheet production environment to integrated, automated environment
- Access to new functionality, including profit center structures and multicurrency functionality
- A standardized general ledger environment for LBG, enabling legacy decommissioning and future acquisition integration







HCL AXON is the best in the world at creating industry-specific, end-to-end platform solutions that deliver business performance

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