Financial Services & Insurance

“Helping global and local FSI organizations to transform customer experience and operations using digital technology, delivering better outcomes for end users and enabling FSI organizations to thrive.”

Adrian Gregory
Head of Financial Services & Insurance,
Head of Business & Platform Solutions Atos|Syntel

Bryan Ireton
Head of North America
FINANCIAL SERVICES & INSURANCE INDUSTRY

ID CARD

Over
25,000
EXPERTS

GLOBAL CUSTOMERS
REPRESENTING
C.63% OF REVENUE

TOP10
CUSTOMERS
representing
C.51% OF REVENUE

Banking 61%
Insurance 27%
Capital Markets 12%

90%
2019 BOOK TO BILL

13.2%
2019 OPERATING MARGIN RATE

North America 29%
Europe 58%
Growing Markets 13%

€2.2bn
2019 REVENUE

€1.3bn
BANKING

€0.9bn
INSURANCE

€4.2bn
2019 BACKLOG
representing 1.9 year of revenue

2019 REVENUE

2019 BACKLOG

Growth Strategy
Cross sell Atos Syntel in European Customer Base & expand Insurance
Cross sell Atos into North American Customer Base & expand Banking

Present in
44 COUNTRIES

Over
25,000
EXPERTS

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Growth Strategy
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<table>
<thead>
<tr>
<th>Financial Services &amp; Insurance Industry</th>
<th>Global Context &amp; Market Priorities</th>
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<tbody>
<tr>
<td><strong>BANKING</strong></td>
<td><strong>INSURANCE</strong></td>
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<tr>
<td><strong>ACCELERATION OF DIGITAL SERVICES BASED UPON CONSUMER ADOPTION</strong></td>
<td><strong>ACCELERATION OF AUTOMATION, STP, AI &amp; CHAT/ROBO ADVICE</strong></td>
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<tr>
<td>From product centric to consumer centric based CX, agile &amp; unique products based upon digital first strategies with personalisation and micro-segmentation of services.</td>
<td>From claims centric to customer centric insurance, based upon micro segmentation, risk based Straight Through Processing, Chat/Robo advice to provide low cost digital origination and claims automation.</td>
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<td><strong>DIGITAL PLATFORMS AND OMNI-CHANNEL SINGLE CUSTOMER VIEW</strong></td>
<td><strong>ACCELERATION OF IOT ECOSYSTEMS TO DRIVE PERSONALIZATION</strong></td>
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<tr>
<td>Lean multimodal IT, digital platforms with strong cloud components, greater adoption of automation, ML and artificial intelligence to create hyperconnected experiences, based upon flexible workloads.</td>
<td>Personalized policies based upon pay as you behave, leveraging IOT monitoring devices and RPA based underwriting based upon predicted outcomes and risk management appetites.</td>
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<tr>
<td><strong>REGULATION IS NOW DRIVING DIGITALIZATION ACCELERATING DECARBONIZATION</strong></td>
<td><strong>FLEXIBLE AND SECURE REMOTE WORKING MODEL</strong></td>
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<td>Regulation is now driving digitization, regulated exchanges will allow market participants to trade digital securities, funds will have to hold green stocks. The 40% Covid related pollution decreases will also create a new benchmark for decarbonisation of the value chain.</td>
<td>Hyper scaled remote-working models have increased cyber-risk and external fraud requiring a move towards prescriptive cyber capabilities based upon secure modern digital workplaces.</td>
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### BANKING VALUE CHAIN TRANSFORMATION
#### DEEP DIGITAL TRANSFORMATION OF THE CUSTOMER JOURNEY AND BUSINESS PROCESSES

<table>
<thead>
<tr>
<th>MARKET SEGMENTATION</th>
<th>CHANNEL ENGAGEMENT</th>
<th>CLIENT ONBOARDING</th>
<th>APPLICATION E-ID KYC/AML</th>
<th>ASSET VALUATION &amp; COLLATERAL MANAGEMENT</th>
<th>E-CONTRACT &amp; REGULATORY REPORTING</th>
<th>SERVICING CONTRACT &amp; ASSETS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional customer base &amp; segments</td>
<td>Internal data and traditional campaigns</td>
<td>Long time to onboard institutional/retail client</td>
<td>Expert based, Manual Activity</td>
<td>Own value chain, traditional techs, Lack of single solution to cover all aspect of collateral management</td>
<td>Document Exchange, Cumbersome task for banks to generate different reports for different regulators</td>
<td>Support and complaint management</td>
</tr>
<tr>
<td>Native digital inspiration micro-segments Predictive modelling</td>
<td>Individual real time targeting, Open data</td>
<td>Hyper-agile lifecycle, MVP's, Use digitization to reduce onboarding time</td>
<td>Machine learning, Robo-advisors, AI/ML, Digitized workflow</td>
<td>Extended value chain, Blockchain, partner ecosystem, Intraday collateral valuation for regulators</td>
<td>Omnichannel, hyper connected, Regulators expect on demand reporting capabilities across entities</td>
<td>Proactive, Social, Automated</td>
</tr>
</tbody>
</table>

15,000 Banking experts serving 15 of the top 20 Banks, digitizing customer experience and business processes, supported by a world class partnership/Fintech ecosystem
INSURANCE VALUE CHAIN TRANSFORMATION
DEEP DIGITAL TRANSFORMATION OF THE CUSTOMER JOURNEY AND BUSINESS PROCESSES

TRADITIONAL VALUE CHAIN

<table>
<thead>
<tr>
<th>PRODUCT MANAGEMENT</th>
<th>MARKETING</th>
<th>SALES &amp; DISTRIBUTION</th>
<th>UNDERWRITING &amp; RISK MANAGEMENT</th>
<th>POLICY ACQUISITION &amp; SERVICING</th>
<th>CLAIMS MANAGEMENT</th>
<th>FINANCE &amp; ACCOUNTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual risk Based product management</td>
<td>Macro segmentation of customer base</td>
<td>Traditional agent based models &amp; channels</td>
<td>Expert based labour intensive underwriting</td>
<td>One size fits all</td>
<td>Lengthy manual Process with multiple touch points</td>
<td>Traditional fixed Annual or monthly based policies</td>
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DIGITAL TRENDS

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<td>Multi-line policies &amp; real time coverage</td>
<td>Micro segmentations and segmentation of one</td>
<td>Robo advisors, aggregators, social brokers</td>
<td>IoT based AI and RPA based underwriting</td>
<td>Personalized based upon pay as you behave</td>
<td>Predictive help with connect appraisal services</td>
<td>Personalized flexible tariffs based upon behavior</td>
</tr>
</tbody>
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10,000 Insurance experts serving 11 of the top 15 Insurers, digitizing customer experience and operations, supported by a world class partnership/Insurtech ecosystem
<table>
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<tr>
<th>OUR EXPERTISE</th>
<th>OUR SOLUTIONS &amp; IP</th>
<th>OUR EXPERIENCE</th>
<th>OUR PARTNERS</th>
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<td><strong>15 000</strong></td>
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<td>FS EXPERTS</td>
<td><strong>10 000 in Retail Banking</strong></td>
<td><strong>Serving 15</strong> of the top 20 banks and <strong>11</strong> of the top 15 insurers</td>
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<td>l 10 000 in Retail Banking</td>
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<td>l 5 000 in Capital Markets</td>
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<td><strong>10 000</strong></td>
<td><strong>Atos Intelligent Automation</strong></td>
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<td>INSURANCE EXPERTS</td>
<td><strong>Voice AI to automate banking operations</strong></td>
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<td>Including:</td>
<td><strong>Enablers</strong></td>
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<td>l 2 000 in P&amp;C</td>
<td><strong>Exit Legacy</strong></td>
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<td>l 8 000 in Life, Annuities, Retirement</td>
<td><strong>Powered by HPC Bull Sequana S</strong></td>
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**PARTNERS**

- Worldline
- SAPIENS
- SimCorp
- CIRCEO
- DreamQuark
- MAMBU
- Pega
- Google
- AWS
- Salesforce
MULTINATIONAL LIFE INSURANCE, PENSIONS AND ASSET MANAGEMENT COMPANY.

CONTRACTS
2 contracts with total TCV in excess of £550m

SERVICE
1,100 Atos employees in 2 UK L&P sites (CoE) delivering the core customer service end to end

SUPPORT RESOURCE
200+ FTE, split across offshore and in Edinburgh, Scotland

DIVISIONS
(BTS/IDM/Syntel/B&PS/BDS) team delivering £50m+ 3 year systems integration program.

PROGRAM
Program runs from early 2019 to mid 2022

PARTNERSHIP
The bedrock of the future growth of our regulated financial services business

OBJECTIVES
Re-platforming of 2m client policies
Systems integration & Digital Cx

FCA REGULATED
FCA regulated entity (Atos BPS Ltd)

Atos transforming Client Life and EB with L&P 3.0
Many industries have seen high contact volumes as a result of Covid-19, this client is no different. But it is acting as a catalyst for change, pushing organizations to try new solutions to old problems:

**Synbots AI Worksbench**
- AI enabled live chat bot for instant query assistance
- NLP based intent detect, read emotion and generate response
- Admin portal for Bot Ops, Configuration, Bot Stats, User & Log Management

**Benefits**
- This enhanced Customer Satisfaction, Increased Handling Capacity, created faster Onboarding & Anytime Access
- With a 75% Reduction in Tickets volume

The need to manage credit risk exposure in a time of huge volatility as a result of Covid-19 has never been greater. Atos has been using Machine Learning in Current Expected Credit Losses (CECL) prediction with this client to help them understand numbers per market/portfolio and do the reserve modeling, including, adjustments & allowances with regulatory disclosures and Provisions.

**CECL ML Model to:**
- Explain the Credit Reserves Amount variation every month by identifying which variables contributed the most towards the final amount in terms of significance
- using machine learning algorithm

**Expected Credit Losses (ECL) Predictability ML Model to:**
- Early Predict total monthly ECL based on monthly partially received inputs refreshed continually (every day) using machine learning algorithm
**FINANCIAL SERVICES & INSURANCE**

**MEDIUM-TERM TARGETS: REVENUE GROWTH AND OPERATING MARGIN**

- **2019**
  - External revenue: €2.2bn
  - Operating Margin: 13.2%

- **Medium-term**
  - External revenue:  
  - Operating Margin: c. 15%

**MAIN ORGANIC GROWTH DRIVERS**
1. Cross sell Atos Syntel into European Customer Base & expand Insurance
2. Cross sell Atos into North American Customer Base & expand Banking
3. Digital Operations expansion in North America and Europe

**MAIN OPERATING MARGIN DRIVERS**
1. CX through AI, ML and Automation
2. Industrialisation and repeatability of offerings
3. Greater offshoring

**MAIN AREAS FOR ACQUISITIONS**
1. Specialist FS&I consulting expertise
2. Digital Operations expansion
3. Digital and Cloud based accelerators

*medium-term annual growth rate at constant currency*
Thank YOU