Image Solutions Update
Market Direction

- **Federal Reserve Payments Study**
  - 21 B checks written (2012); - 9.2% CAGR
  - Fed will release an updated view before yearend

- **Proliferation of new consumer payment platforms**
  - Apple Pay, Android Pay, Venmo, etc.
  - Lack of standards, lackluster adoption

- **Fed Faster Payments initiative**
  - Task force formed; 10-year “modernization” horizon
  - Impact on corporate / business check use - TBD

- **Industry Electronic Payment Order (EPO) initiative/alternative**
  - Leverage existing check solutions
  - Enhance the system preferred by businesses of all sizes today

- **FIS is well positioned for any scenario**
  - “No change” scenario
  - New platform scenario
  - EPO scenario
Figure 2. Trends in noncash payments 2000–15, by number

Note: Prepaid debit card includes general purpose, private label, and electronic benefit transfer.
Five-Year Volume Analysis
Image Solutions Business Overview

• **Product Offerings**
  – IP Software & Outsourced Services
  – Endpoint Exchange
  – Remittance Software & Services
  – Content Management Software & Services

• **Target Market**
  – North American financial institutions
  – FIS serves the entire market

• **Market Dynamics**
  – Declining industry volumes, but no endgame scenario
  – Checks concentrated in larger FIs
  – Co-sourcing / outsourcing trend
  – “Faster Payments” on the horizon? Impact on business payments?

• **Key Statistics**
  – # of Customers.: 1,500+
  – Client Loyalty Index (2016): 8.52
  – Employees: 1,740
  – Annual volume processed: 2.2 billion+ items

• **Competitive Landscape**
  – Consolidation underway
  – Declining investment
  – Declining software (in-house) market
  – Increasing integration requirements

• **Additional Information**
  – Strategic Assets: ImageCentre, VisionIP, FIS Content Management, VisionContent, Vicor
  – Balanced approach between software & services revenue
  – Outrunning industry volume decline
Value Proposition

Through continuing investment in our people, software assets and service centers, to gain market share and drive growth by fostering innovation in check processing, remittance processing and content management.

- Serve the entire North American financial institution market
- Innovate where competitors are reducing investment
- Provide quality software, services and support
- Help clients innovate and integrate with complimentary solutions and technologies
- Support our clients’ needs to closely manage capital investments and operating costs
Partial Client List
Unmatched experience across a broad spectrum of clients
Software Business Update

• Innovation Highlights: DirectLink, FIS Content Management, Workflow, tighter core integration

• Industry continues to shift toward co-sourcing / outsourcing
  – Check volume decline, access to capital and access to knowledgeable resources among the reasons that make in-house processing more challenging

• License sales down significantly since FIS-Metavante merger in 2009

• Maintenance revenue in decline due to bank acquisitions and consolidation

• New development, security remediation and integration costs are significant

• Maintenance and support increase announced for 2017 – 15 to 20% increase

• Many clients are moving to multi-year term agreements or outsourcing
Outsourcing Business Update

• **Growing Business**
  – Gaining market share, new clients, increasing volumes
  – Introducing new technology
  – High client loyalty ratings
  – Contracts extend 8 to 10 years – no questioning FIS’ commitment

• **3 National Payment Centers**
  – Los Angeles
  – Little Rock
  – Philadelphia

• **Supported Platforms**
  – ImageCentre (ASP (co-sourcing) and outsourced services)
  – VisionIP/Endpoint (outsourced services)
  – DirectLink Next Generation Distributed Capture platform access
The Endpoint Exchange Network Update

- Access to 10,000+ routing numbers
- 8.2% year over year growth
- Monthly volume 57 million items; $80 billion cashletter value
- Migrating to new, state-of-the-art processing environment
- Large, mid-tier and community FI connectivity
  - 350 clients leverage the Endpoint Exchange today
  - 18 of the top 25 banks in the U.S.
  - Access to Corporate Credit Unions and Bankers Banks
  - Only network connected to both SVPCo and Viewpointe
Remittance Business Update

- Vicor software platform remains a strategic platform for global banks based in North America
- Ongoing ImageCentre and VisionIP remittance solution investments
- FIS operates service centers in key metro markets
  - Boston, New York, Philadelphia, Tampa, Chicago, Sioux Falls, San Francisco, Los Angeles
  - New Dallas service center opened in Q1 2016
- 3,000 financial institution and corporate clients
- 130 million payments processed annually
- 450+ employees supporting operation
- Wholesale and retail lockbox capabilities
- Leverage ImageCentre, Vicor and VisionIP platforms
2016 Successes & Opportunities

- Continue migration to recurring revenue model
- DirectLink
  - Increasing number of users in production
  - Establishing market traction
- FCM Document/Workflow/COLD+
  - Increasing number of users in production
  - Workflow engine integrated to FCM and VisionContent:Imaging
  - FCM COLD+/ COLD Optimization Workflow
- Remittance
  - Major 2016 growth via new sales
  - New Dallas service center
- OneTouch End-User Chat Support
  - In production today
  - Compliments traditional support approach
- Oracle Patching Subscription Service
  - Addressing security and audit concerns
- Legacy Data Conversion
  - Significant focus – additional resources and process improvement changes underway
- LFI Implementations
  - Meet/exceed client expectations for new large financial institution implementations
“Market Analyst’s Question to Berkshire Hathaway’s CEO: “What is the most important factor to look for when evaluating companies?”

FIS’ Image Solutions Sustainable Competitive Advantage

- FIS has the right strategy for the Check, Remittance & Document Imaging markets
- People, Expertise, and Experience
- Long-term Client Relationships
- Strong Financials & Recurring Revenue Model
- Market-Leading, Market-Recognized Software Assets
- Sales Investment and Expertise Solution Scalability – ability to serve the entire market
- Innovation Track Record
- Operation Scale & Operating Efficiencies
Takeaways

- FIS is making significant investments to carry our solutions forward into the future – we are in it for the long haul.
- Proactively evaluate your options to stay in-house, or move to a co-sourced or outsourced model
- Focus more on risk areas in your operation – key employee risk, 7X24 system availability, security, vulnerabilities, business continuity, ongoing investments
- Partner with fewer, stronger companies – look for solution strength, track record, financial strength, integration investment
- Identify special initiatives every year to drive greater efficiencies and drive down costs; this is more critical in declining volume areas like check processing
Leveraging Knowledge to Expand Capabilities

Consolidated strategy + Consolidated teams + Cross product development = Expanded Capabilities
Success in Shared Technology

DirectLink Suite

LDAP Active Directory Authentication

ImageCentre VisionIP

DREAM/IQA

XPOD

WebCD
Next Steps on Shared Technology

NetImage IV – 2017 Release

- New HTML5 Research Tool
- Bank access from one GUI
  - Checks/Deposits
  - Statements/Notices
  - Documents
  - COLD Reports

- End Customer Access (optional service in datacenter for select end customers)
  - Checks/Deposits
  - Statements/Notices

• Remittance Portal
  - HTML5 Responsive Design Research tool
  - Front-end both VisionRemittance and ImageCentre Remittance
  - Merchant Facing
  - Intraday decisioning portal
DirectLink Updates
<table>
<thead>
<tr>
<th>Category</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Branch</td>
<td>• BCX previous name</td>
</tr>
<tr>
<td>ATM</td>
<td>• Diebold &amp; NCR</td>
</tr>
<tr>
<td>Merchant</td>
<td>• 800+ merchants converted; 1500+ in queue</td>
</tr>
<tr>
<td>Merchant Mobile</td>
<td>• Key feature for DirectLink Merchant</td>
</tr>
<tr>
<td>Teller</td>
<td>• Available (HORIZON, Bankway, IBS); TouchPoint in testing</td>
</tr>
<tr>
<td>Consumer</td>
<td>• Planned for 2018 release</td>
</tr>
<tr>
<td>Risk Review Workflow</td>
<td>• Pilot client - cross channel limits</td>
</tr>
</tbody>
</table>
FIS Consolidated Solution

FIS Content Management (FCM) – leverages ImageCentre base code; ASP or in-house to large FIs; Document Imaging and COLD+ – Workflow optional add-ons to both Document Imaging and COLD+

VisionContent – folder imaging + report archival storage; in-house (or hosted on an exception basis) – Workflow optional add-on

FIS Document Management – folder imaging; in-house

FIS Report Management – report archival storage; in-house

ACquire – report archival storage; in-house and hosted
FIS Content Management Strategy

FCM Document Imaging
A browser-based document imaging solution with a focus on Deposits, Loans and general documents

Workflow
Business rules-based engine designed to track and automate document based processes

COLD+
A powerful Enterprise Report Management system that offers high volume and high speed storage and research of reports along with data mining capabilities allowing the back office to more efficiently manage report data

COLD Optimization Workflow
Industry leading solution enabling review of subset of data from reports by applying business rules and routing only the exceptions to a reviewer for action. Audit tracking becomes a non-issue; escalations and SLA tracking ensure reviews are done timely.

eStatements
Rounding out the complete content solution, FCM stores eStatements and eNotices for internal research as well as connectivity to internet banking
• **Strategic Payments Leadership Council (SPLC)**
  – 16 clients serve as the “voice of the customer” and represent our larger user-base community
  – Identify and address the business priorities and strategies of clients, as they relate to payments products and services
  – Understand the direction of the broader market from a payment standpoint
  – Provide input and feedback to FIS regarding payment strategy, and specific products and services
  – Increase and improve the value and sharing of information between all clients
  – Identify best practices, and opportunities to improve efficiency and service quality
## FIS InfoShare 2017 – Image Solutions Schedule

### Wednesday, May 24

<table>
<thead>
<tr>
<th>Session</th>
<th>Time</th>
<th>Room</th>
<th>Session Title</th>
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<tbody>
<tr>
<td>1403</td>
<td>9:15 – 10:15</td>
<td>Tampa 3</td>
<td>Increase back-office efficiencies with COLD Optimization Workflow</td>
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<tr>
<td>1405</td>
<td>10:30 – 11:30</td>
<td>Tampa 1</td>
<td>Document Imaging Workflow – The next step in operational efficiency</td>
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<tr>
<td>1407</td>
<td>10:30 – 11:30</td>
<td>Tampa 3</td>
<td>DirectLink Merchant – Unleash the Power of Integrated Desktop and Mobile RDC</td>
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<tr>
<td>1408</td>
<td>2:00 – 3:00</td>
<td>Tampa 3</td>
<td>Mobile Deposit – Options for Consumer, Small Business and Corporate customers</td>
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<tr>
<td>1404</td>
<td>3:30 – 4:30</td>
<td>Tampa 3</td>
<td>Document Imaging as a key to paperless initiatives</td>
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### Thursday, May 25

<table>
<thead>
<tr>
<th>Session</th>
<th>Time</th>
<th>Room</th>
<th>Session Title</th>
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</thead>
<tbody>
<tr>
<td>1402</td>
<td>8:30 – 9:30</td>
<td>Tampa 1</td>
<td>Learn how FIS Receivables solutions can help your customers automate payments</td>
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FIS Solution Expo Kiosks – 500A to 500H (all Image Solutions product lines)
Important 2017 Events – Image Solutions

Product Release Webinars

- VisionIP Suite - Recording and slides on Client Portal
- Direct Suite – Recording and slides on Client Portal
- ImageCentre – Recording and slides on Client Portal
- FIS Content Management – Recording and slides on Client Portal
- CCX/FXD – Recording and slides on Client Portal

User Group Meetings – Join us!

- FIS Document Management User Group Meeting – June 20, 21 – Orlando, FL
- Image Solutions User Groups Meeting: ImageCentre, VisionIP, Direct Suite – October 4-5 – Oklahoma City, OK
- VisionContent, FCM Document Imaging – October 5, Oklahoma City, OK
INFOSHARE 2017
IMAGINING POSSIBILITIES

Matthew Bowen – Matthew.Bowen@fisglobal.com
Cindi S. Jackson – Cindi.Jackson@fisglobal.com